MACEDONIA:

NO ROOM FOR COMPLACENCY

23 October 2003
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EXECUTIVE SUMMARY AND RECOMMENDATIONS

Recent events require that policymakers revise substantially the conventional assessment that Macedonia is the foremost political “success story” of the Balkans. In fact, it is an underperforming post-conflict country still very much at risk, unable to tackle — operationally or politically — its security challenges without upsetting an uncertain ethnic balance. Clear-eyed analysis of the dynamics driving unrest, from criminality and weak policing to an equally weak economy and corruption, is needed if a country that narrowly avoided war in 2001 is to secure long-term stability. Specifically, Macedonia cannot yet safely do without the presence of an international security force.

It is true that the moderate government led by Prime Minister Branko Crvenkovski and former rebel leader Ali Ahmeti has had successes. Both are committed to the Ohrid peace agreement and national unity. Since they won the 2002 election, political rhetoric has become less heated. They have acted responsibly and, at times, even courageously on sensitive issues, including moving toward legalising Tetovo University (long a symbol of ethnic tensions) and use of the Albanian language in parliament and on passports. However, progress on symbolic issues has not been matched by progress on substance. Security sector reform has lagged as has decentralisation and efforts to boost Albanian public sector employment — all key components of the Ohrid agreement. A high profile crackdown on corruption has stumbled.

Most seriously, criminals and extremists continue to present a direct threat. The police increasingly reflect the multiethnic population’s make-up but still struggle to impose law and order. Murders are up by a third over three years, and a series of bombs, kidnappings and shootings have added to the sense of lawlessness. Poor communication on security matters often stokes ethnic tensions within the government and between communities; this, rather than any organised “pan-Albanian” violence, is the greatest current risk to stability.

These issues came to a head in early September 2003 when a heavy-handed police operation failed to capture a notorious Albanian outlaw but infuriated Ahmeti, leaving him exposed politically and presenting the government with its most serious internal confrontation. The outlaw remains at large and, despite efforts to accommodate local sensitivities, many Albanians have developed renewed suspicion towards the police.

According to a recent UN survey, a two-thirds of Macedonians and Albanians expect more conflict amid growing concerns over a stagnant economy. Aid workers describe ethnic polarisation in the former crisis areas, as minorities continue to face multiple pressures. Bitter disputes over schools defy mediation. Unemployment remains high and has created potential for ambitious labour leaders to spark unrest. The prospect of more instability keeps foreign investment low and the economy throttled.

Ethnic Albanians have resisted even benign, well-notified police operations and otherwise tended to undermine the sense of mutual responsibility the Ohrid agreement needs. Tensions have also emerged between Albanians and Turks who fear that Ohrid is producing a “bi-national” state dominated by Albanians and Macedonians. Former Prime Minister Ljubco Georgievski and senior Albanian politician Arben Xhaferi have been all too willing to play on anxieties and animosities, openly undermining Ohrid and even urging Macedonia’s ethnic partition.
Macedonia’s leaders and international mediators have too often approached challenges with complacency. Instead of confronting the radicalism of Georgievski and Xhaferi, diplomats have been their apologists. Ohrid deadlines often slip without comment, while the redrawing of municipal boundaries, transfer of powers to municipalities, and the forthcoming release of census results bring shrugs. Too often Prime Minister Crvenkovski has turned Ohrid implementation into a zero-sum negotiation. The moderate Ahmeti has tolerated ineptitude among his party’s ministers and seen his authority among Albanians slip markedly. Some of his supporters suspect the prime minister of deliberately making their party look bad.

In the absence of a more concerted effort to implement Ohrid, establish law and order, fight corruption and stimulate the economy, the relative calm could soon unravel. Macedonia still needs security assistance. The EU’s “Concordia” military mission should stay beyond its putative end date of 15 December 2003, until its “Proxima” police mission is fully established and has made up key intelligence and coordination deficiencies in the security sector, and Macedonia’s police and government are able both to conduct effective operations and manage the political fallout. There is also a need to close out the legacy of the 2001 fighting. There are no excuses for further delay in screening the handful of potential war crimes cases, rebuilding a half-dozen destroyed churches and mosques and resolving the twenty missing persons cases. Donors must insist that moribund media institutions they fund begin to function, particularly in the monitoring and control of hate speech.

However, none of these steps is likely to be taken without a more sober, less self-congratulatory assessment of Macedonia’s track record to date.

RECOMMENDATIONS

General

1. Prime Minister Crvenkovski and President Trajkovski should seize every opportunity to embrace the Ohrid agreement on behalf of all citizens, not just as a set of concessions to ethnic Albanians, and the prime minister should cease treating key Ohrid obligations as zero sum negotiations with DUI President Ahmeti.

2. DUI President Ahmeti should intensify efforts to build full Albanian respect for state authority, including payment of taxes, utility charges and other obligations.

3. Crvenkovski and Ahmeti should emphasize decentralisation as the centrepiece of Ohrid implementation, drop ineffective political appointees who are holding up decentralisation and economic reform, and work to improve communication between ministers of one ethnic community and deputies of another.

Security

4. President Trajkovski and Prime Minister Crvenkovski should reverse their insistence that the EU military mission “Concordia” leave at the expiration of its current mandate in December 2003, and that mission should stay at least until the EU’s “Proxima” police mission is fully established, and Macedonia’s police and government can conduct effective operations and manage their political fallout.

5. The government should resist painting an over-bright picture of the security situation for fear of derailing Macedonia’s bid for NATO membership, and should develop urgently a clear, comprehensive means of consultation and notification, including with the DUI on major security operations, continue to implement internationally recommended security reforms, and put special emphasis on police performance.

6. NATO should continue its support role for “Concordia” and for the proposed “Proxima” police mission and clearly de-link the presence of “Concordia” or any international security mission from the question of Macedonian membership in NATO, while Washington acknowledges formally that after its participation in Afghanistan and Iraq, it considers Macedonia a “security contributor” for purposes of potential NATO membership, and NATO and the EU bury their competition for primacy in security assistance.

7. As a critical means of shoring up stability (internally and externally), the government and NATO should redouble their efforts to ensure that Macedonia is qualified to enter NATO no later than the next major round of enlargement, if not earlier.
8. EUFOR-“Concordia” should seek greater opportunities to share and transfer responsibilities to the Macedonian army, for example through joint patrols and joint exercises with Macedonian units to help build trust among Albanians in the country’s security forces.

9. Planning for the EU-“Proxima” mission and “Concordia’s” eventual departure should address glaring police weaknesses, including poor communication, coordination and intelligence sharing, overly centralised control, weak multiethnic teams, and continuing reliance on heavy-handed tactics, and in particular:
   (a) “Proxima” should plan actively to assist in on-ground situations, not merely monitor;
   (b) the European Union Monitoring Mission (EUMM) should be fully incorporated into the EU security structure and increasingly assume the critical liaison function created by NATO and now performed by EUFOR;
   (c) OSCE should make police performance a top priority and ensure that its training not only meets quotas but also turns out qualified police cadets; and
   (d) other donors should explore ways to improve overall intelligence gathering and sharing.

Decentralisation

13. The government and the IMF should accelerate the pace of decentralisation by implementing near-term steps identified by the EU Special Representative and U.S. Ambassador, for example by redoubling cooperation with the Association of Municipalities (ZELS) to accelerate pilot projects for property tax collection by municipalities and to permit municipalities to issue building permits.

Corruption

14. The World Bank, the OSCE and its rule of law team, and the European Commission should take the lead on corruption and judicial reform, with the international community giving greater material and political support to the Anti-Corruption Commission, in particular pressing the government and parliament to adopt its program, with priority for its recommendations on building judicial independence, including creating a new institution to replace the politicised Republican Judiciary Council.

15. The courts, public attorney and prosecutor should vigorously pursue the Commission’s recommendations on annulment of the Fersped privatisation, while the government forms an expert commission on the Tat pyramid bank scandal and the minister of economy explains fully oil purchases prior to the war in Iraq through Makpetrol.

16. The World Bank and IMF should examine the possibility that money-laundering operations may shift to Macedonia following Cyprus’s entry into the EU.

Political Developments

17. The U.S. should formally warn DPA President Xhaferi, DPA Deputy President Thaci and PDP leader Bexheti and others that continued public support for ethnic division, opposition to the Ohrid agreement and private association with criminals and extremists will result in swift inclusion on its watch list, and European political groups should exclude politicians and parties associated with extremist rhetoric from their alliances in the Parliamentary Assembly of the Council of Europe.
Education

18. Priority must be given to educating the many young Albanian males who do not finish secondary school, including through vocational training and remedial programs, as well as to attracting Albanian women into higher education, particularly at Tetovo University.

19. DUI President Ahmeti should support reform at Tetovo University by controlling the renegade former rector, Fadil Sulejmani, and his ally, Izahir Samiu (ex-NLA “Commander Baci”), who are again obstructing critical measures and complicating the legalisation process for the long-troubled institution.

Ethnic Albanian Representation

20. The government and international community should prioritise Albanian presence in the key security sectors of army, special police and secret police, and match stringent recruiting requirements for special units with intensive efforts to recruit and train ethnic Albanians who could, with some assistance, qualify.

Improving Inter-ethnic Relations and the Legacy of the 2001 conflict

21. The EU and U.S. should support fully the joint government-parliament commission to establish the whereabouts of the twenty remaining missing persons, and the ministry of interior should establish a deadline for Albanians to provide information on missing Macedonians, after which it should release all information it has about missing Albanians.

22. The government should prepare a final and non-amendable list of suspected war crimes cases and request The Hague Tribunal to screen these and determination if there are grounds for trial.

23. Other donors should join with the European Agency for Reconstruction to continue its project to re-build religious objects destroyed during the conflict with UNESCO advice and assistance.

Skopje/Brussels, 23 October 2003
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I. INTRODUCTION

When it comes to Macedonia, the government and international community consistently accentuate the positive. Diplomats have downplayed the threat of internal conflict and dismissed ethnic Albanian extremist groups as uncoordinated and isolated. The international community has also been quick to hail police re-deployment under OSCE guidance as an unqualified success.1

Macedonia has made important strides in filling the security vacuum left from the conflict of 2001. The number of ethnic Albanians in the police has steadily risen, and OSCE field monitors and police advisors have done yeoman’s work. Albanian villagers, who reflexively blocked even token police entry in 2002, now generally welcome multiethnic patrols and increasingly cooperated in law enforcement efforts.2 OSCE-sponsored Citizen Advisory Groups have brought citizens and police together to discuss and resolve concerns. Despite continuing complaints about army presence, border incidents have been reduced.

In a number of areas, ethnic Albanians and officials have even asked for a greater police presence and acknowledged that well-armed teams are needed to deal with criminals. One mayor maintained that the absence of police was a Macedonian ploy to let crime fester in Albanian areas.3 Most villagers chose to stay out of a tense 12 June 2003 stand off with police in Aracinovo.4 The increase of Albanians in the police has been equally important outside the former crisis areas, in towns like Gostivar, Debar, Kicevo and around Struga and Ohrid.

Great credit for the improvements in police relations should go to Interior Minister Hari Kostov. His predecessor, Ljube Boskovski, nearly provoked armed confrontations with ethnic Albanians on at least three occasions,5 and the reputation of the ministry suffered considerably due to his actions and those of the special force, the Lions. Kostov, a former banker, has been an active reformer. During a stand off with villagers near Vejce, he waved off helicopters and other traditional police means of “solving” problems, sat down with local Albanians and listened during emotional negotiations that ultimately deescalated the situation.

Yet, there is a darker side. Consider a by no means complete list of major incidents that have occurred in the last ten months:6

1 In January 2003, for example, the U.S. ambassador dismissed the suggestion that the security situation remained fragile. “I’m actually disappointed by the many reports I read in the international press about how fragile and how close Macedonia is to going back to conflict”, remarks by U.S. Ambassador Lawrence Butler at a press conference on 29 January 2003.
2 “Citizens’ readiness to seek police assistance when subjected to violence” was the sole positive point on a list of nine key indicators like job security, crime, corruption and unemployment in an April 2003 report. UNDP survey conducted by BRIMA, the Macedonian affiliate of Gallup International and published in “FYR Macedonia: Early Warning Report”, herein UNDP Survey. See p. 9. According to Defense Minister Vlado Buckovski, the army has seen improved cooperation with the local population and improved security at the border. See “Local population in Polog cooperates with [the Army] again”, Dnevnik, 10 July 2003.
3 ICG interview, Bogovinje, January 2003.
5 In Trebos, near Tetovo in November 2001; with a provocative Lions ceremony in January 2002, as tensions rose in former crisis areas where Albanians were blocking police re-deployment; and during the run-up and aftermath of the September 2002 elections.
6 A fuller description of these and similar events can be found in Appendix A.
In December 2002, a powerful bomb was detonated in front of a mostly Macedonian Kumanovo high school, killing a bystander. Only chance averted a far higher number of casualties.

Armed members of the paramilitary Lions blocked the main crossing into Kosovo in late January 2003. Kostov was forced to dispatch a rival special police unit, the Tigers to the scene, and a tense two-day standoff was defused only after a deal that retained 600 Lions in the Interior and Defence Ministries, despite their badly chequered reputation.

On 24 January, three foreign prostitutes were killed, one seriously wounded and an Albanian man slain during a shooting at a brothel in the village of Dobri Dol.

Two Polish members of the NATO “Allied Harmony” force and two civilians were killed in early March by a mine apparently aimed at Macedonian army patrols.

In mid-March, a bomb exploded on a railroad track near the Serbian border minutes after a train passed.

Ten kidnappings occurred in March and April 2003.

In May, Albanian villagers in the Tetovo area blocked a delegation of Macedonians, led by Kostov and accompanied by Ambassador Butler, from attending commemoration of a 2002 ambush of Macedonian security forces. As a result, tanks were fired up in nearby barracks and a helicopter flew over, raising tensions. Disturbances later erupted in Tetovo, grenades were lobbed into an army barracks and a police patrol was attacked as young Albanians and Macedonians clashed in the town centre.

In mid-May, after 180 Albanian students, accompanied by police and international representatives, were turned away from a Kumanovo high school, more than 1,000 ethnic Albanians blocked a main road.

On 5 June, a powerful bomb exploded in the centre of Kumanovo.

In mid-June at long troubled Aracinovo, Macedonian police pursued and killed a well-known alleged ethnic Albanian criminal. Tensions soared as his relatives and associates and a renegade former NLA commander menaced the police. Several television journalists were beaten at the scene.

On 20 June, the reputed kingpin in trafficking of women, Dilaver Bojku, escaped from the Struga prison.

Two bombs exploded on 22 June near the Macedonian Telekom building and “Mavrovka” shopping centre in Skopje.

In a daytime attack on 9 July near the centre of government in Skopje, masked assailants burst into an Albanian tea room firing weapons and a grenade, killing five and wounding four. Their target was a former NLA commander, Ridvan Neziri, reputed to be deeply involved in extortion rackets. The dead brought the year’s murder total to 42 – 30 per cent over 2002 and more than a 40 per cent over 2000-2002.

Also on 9 July, villagers from both sides blocked roads to prevent opening of a border crossing to Kosovo.

On 16 July, several hundred protesting electrical utility employees – part of a growing number of workers, primarily Macedonian, losing state enterprise jobs as efforts are made to increase ethnic Albanian public sector employment – clashed with police at parliament.

The worst security crisis so far was from 27 August to 7 September 2003, but reverberations continue. An outlaw, Avdi Jakupi (“Commander Cakalla”) kidnapped two people one a police officer. They were released following swift intercession by Albanian politicians but also on 27 August, a mine was placed on the Skopje-Belgrade railway, and the next day, three rounds struck government and army targets in Skopje. During the first of two police operations to find Jakupi, a number of Albanian villagers fled the area of Vaksince (near Kumanovo). The second operation, on 7 September, led to a shootout in the ethnic Albanian village of Brest that killed at least two young men, likely associates of another renegade (Hamdi Bajrami, “Commander Breza”), infuriated Ali Ahmeti’s DUI party and left

7 Jakupi and Breza claim association with the Albanian National Army (ANA), which claims responsibility for several (not all) violent incidents in Kosovo and Southern Serbia in August 2003. The leader of the Albanian National Union Front, which says it is the ANA political wing, calls
him badly exposed. DUI accused Macedonian officials of going well beyond the scope of operations that had been agreed before Ahmeti and others put their credibility on the line appealing for Albanian co-operation with police. International officials told ICG privately they believe DUI was in fact notified of some aspects of the operation, but senior Macedonians concede privately that high-ranking Albanians were left uninformed or under informed. NATO and OSCE officials initially supported the police but some diplomats later revised their view calling the affair another “clumsy”, “heavy handed” and unsuccessful action – Jakupi escaped, and tensions were inflamed. DUI anger triggered an outburst from Kostov, who demanded that three senior Albanians in his ministry organise Jakupi’s capture themselves, though later he formed a “joint committee”. Simultaneously, two disputes over schooling revealed the continuing mistrust between Albanian and Macedonian communities. In Skopje and the country’s second city, Bitola, parents and students were drawn into ugly protests over Albanian presence in schools and instruction in the Albanian language. The school disputes and the Brest episode have shaken Albanian belief in Macedonian commitment to Ohrid. Taken as a whole, the chain of security incidents reveals a steady and dangerous undercurrent of tension and violence that has the potential to spin quickly out of control. As an eyewitness to the May melee in Tetovo observed, had several young Albanians died at the hands of a Macedonian shooter, “it would have produced an all-out bloodletting”. Kostov has said that he was close to deploying special units to free the policemen surrounded by Albanians on 12 June in Aracinovo. Indeed, many of the incidents had the potential to be far worse.

This report examines five areas central to Macedonia’s struggle for lasting stability: policing, the economy, decentralisation, corruption and inter-ethnic relations.

Bajrami and Jakupi “criminal, unpatriotic elements”, not part of the organisation. (ICG interview, Brussels, September 2003). Based on our fieldwork in southern Serbia and Macedonia, ICG believes that if the “Albanian National Army” exists, it is not large and does not have a clear, central command.

The party’s full name is Democratic Union for Integration. ICG interview with OSCE official, 9 September 2003, and separate communication with senior Macedonian official, also in September. DUI’s rival, the DPA party led by Arben Xhaferi, sharply criticised the police action, putting more pressure on DUI and underscoring its line that Ahmeti and DUI are “lackeys” of Crvenkovski. The newly “reformed” Macedonian opposition party, VMRO-DPMNE, demanded an “emergency debate” in parliament.

ICG is aware of allegations from Macedonian and Albanian sources of a possible Serbian role in instigating or heightening recent tensions in Vaksince and Brest. These range from direct accusations of complicity between security service elements in Belgrade and the outlaws “Cakalla” and “Breza”, to provision of inaccurate intelligence to Macedonia that exaggerates the size of radical Albanian groups in the area and the threat they pose. The implication is that Belgrade, or some elements there, believe that Serbia’s position in Kosovo is aided by conflict between Albanians and Macedonians. ICG interviews with Macedonian and Albanian sources. See also report in Forum magazine, 12 September 2003, by Macedonian reporter Teofil Blazevski.


ICG interview with commentator Jordan Mirkovski in Tetovo, 17 May 2003. Mirkovski, unlike many of his colleagues in Tetovo, is a staunch believer in multiethnic co-existence.

ICG interview, 19 June 2003.
II. POLICING AND THE LIMITS OF STATE CAPACITY

Interior Minister Kostov has made great strides but as the events of late August/early September 2003 show, formidable challenges remain. As the continuing security incidents make clear, there is a mismatch between the threat posed by extremists and criminals and the state’s capacity for effective response. The distinction between criminal and extremist elements has increasingly blurred. The general inability to crack down on crime remains one of the most visible government shortcomings while the drumbeat of “routine” violence has sent a message to extremists that their ambitions can be kept alive at limited cost.

The Chief of the Army General Staff, Lieutenant General Metodi Stamboliski, was blunter than the diplomats after the mid-May violence in Tetovo: “Despite the improved security in the former crisis areas, the situation is still fragile and everybody has to work on its improvement”.14 It is clear that it is not only ethnic Albanian extremists, but also a range of Macedonian, Serb, Greek and Bulgarian hardliners, who have an interest in destabilisation. Challenges to Macedonia’s identity have recently emerged from Greece, Bulgaria and Serbia.15

Despite two years of training, OSCE oversight and EU advice, the performance of both multiethnic and Macedonian-only police units is still deficient. Senior OSCE officials acknowledge that the success in building public acceptance of the police has out-paced performance.16 As they and aid officials candidly admit, high profile multiethnic patrols struggle to provide effective law enforcement in the former crisis areas. While the Ohrid peace agreement provided the impetus to recruit large numbers of ethnic Albanians and generated growing acceptance of police in villages where there was fighting in 2001, the task now is to make those units effective.

The OSCE deserves praise for helping Macedonia meet the ambitious quotas set for Albanian recruitment by Ohrid.17 Since it took over from the U.S. Justice Department at the beginning of 2002, the OSCE has graduated some 1,000 cadets from the police academy in Idrizovo, and officials believe the Ohrid goals will be attained by the August 2004 deadline.18 These impressive graduation figures have had an impact. In Tetovo, the site of the heaviest fighting in 2001, the Albanian police chief has reported substantial improvements over the last year: over a quarter of the 300 regular police are Albanian, up from 8 per cent before the conflict.19

However, new and recently trained recruits have sometimes shown their inexperience. Kostov has told ICG that he is not satisfied with the performance of Albanian police, that incompetence, intimidation and periodic cooperation with criminal elements has undercut effectiveness, and he has “demanded improvement”.20 OSCE officials echo these concerns. One experienced official suggested that in the push to fulfil quotas, some unqualified recruits had been graduated. Another experienced OSCE official blamed “poor training” for the uneven performance of multiethnic patrols,21 although the

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15 Ironically, Albania of all Macedonia’s neighbours, has shown the greatest support for its sovereignty and security, including by cracking down on some prominent “greater Albania” extremists. By contrast, Serbia’s Orthodox Church has again challenged the Macedonian Orthodox Church, possibly with Greek support. Greece has reacted angrily to recent U.S. moves toward recognition of Macedonia’s name. And Bulgaria has tried to get in on the centenary of the Ilinden Uprising against the Ottoman Turks, an event seen by Macedonians as seminal in their struggle for independence, separate from Bulgaria’s anti-Ottoman activities.
17 Article 5.2 of Annex C mandates that 500 new police officers from non-majority communities be trained by July 2002 and another 500 by July 2003 that the police reflect the composition and distribution of Macedonia’s population by 2004. However, even these increases would leave Albanians substantially under-represented in the interior ministry. Of approximately 10,000 ministry personnel, 810 are Albanians (about 7.5 per cent), excluding the two on-going police academy classes.
18 According to the OSCE’s Police Development Unit Annual Report (p. 80), the U.S. Justice Department “ICITAP” program was responsible for 106 trained cadets, while OSCE has since trained another 427.
20 ICG interview, 19 June 2003.
21 ICG interview, Skopje, June 2003.
Director of the OSCE Police Development Unit, Bart D’Hooge, emphatically denied such claims.22

European observers argue that OSCE has emphasised training, promoting Albanian acceptance and dialogue rather than the hands-on, operational advice that would boost arrest rates.23 While its community policing approach offers some obvious benefits, it is equally apparent that police must sometimes use force, not least in the former conflict areas.

The planning and tactics of Macedonian-only and Macedonian-dominated police operations is also a concern. In a number of incidents, poor communication, sloppy implementation and failure to follow routine police procedure created potentially explosive confrontations while allowing prime suspects to escape. Like virtually all Macedonian government activity, police operations are heavily centralised. Local police have been constrained from mounting operations to arrest even some suspects who walk openly in the streets. International security officials also cite serious weaknesses in the Ministry of Interior’s intelligence collection and sharing capabilities. Senior OSCE Police Development Unit officials also concede that use of excessive force also remains a problem, especially under the “iron fist” leadership of Public Security Director Branko Bojcevski.

The Interior Ministry needs a top-to-bottom strategic review such as the Ministry of Defence, at the urging of NATO, the UK and U.S., is conducting, with impressive preliminary results that have helped create momentum for painful reforms, including dismissal of senior officers and a substantial downsizing designed to produce a smaller, more professional force. The EU had intended to conduct a thorough assessment of Interior Ministry needs and capabilities as part of formulating a reform strategy, but due to internal bickering, its police teams produced competing reports that, in the words of one EU official, “made no impact with the ministry or the international community”. This issue is now being discussed in Brussels in anticipation of the expected departure of the EU military mission (Concordia) at the end of 2003.

A. MUTUAL SUSPICIONS AND THE INTERIOR MINISTRY

Although it has recruited substantially greater number of ethnic Albanians into the police, insiders claim that mistrust of Albanians within the Interior Ministry remains a persistent problem. Director of Public Security Branko Bojcevski and Director of State Security Zoran Verusevski reportedly have not duplicated Kostov’s efforts to reach out to Albanians, and lingering ethnic tensions undercut the effectiveness of police operations.24 Verusevski arouses deep Albanian suspicions regarding the state security or secret police apparatus.25 The secret police have traditionally been a bastion of anti-Albanian sentiment.26 Kostov’s former deputy, Fatmir Dehari, has repeatedly complained about resistance to bringing new Albanians into the deeply distrusted state security

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22 D’Hooge noted that 36 out of 200 in a recent class were dismissed and that all cadets will eventually have to return from the field to take the rigorous state examination. ICG interview, 17 July 2003.

23 Paragraph 5.3 of the Ohrid agreement provides for “deployment as soon possible of international monitors and [OSCE] police advisors in sensitive areas, under appropriate arrangements with relevant authorities”. The same paragraph identifies OSCE, along with the EU and the U.S. as the leads for police training. In other words, Ohrid clearly contemplated an operational, on-ground role for OSCE, especially in sensitive areas, subject to agreement of the authorities. Unlike NATO, which interpreted its narrow extraction mandate broadly, permitting it to play a critical on-ground role, OSCE has consistently interpreted its rather broad police advisory mandate narrowly. According to one experienced OSCE official, frustration with this policy, which has stifled initiative and often left incompetent police to their own devices, has caused several OSCE officers to leave. ICG interview, June 2003.

24 For example, back-to-back killings of a young Albanian and a young Macedonian in Tetovo in October 2002 occurred when there were no Albanian officers in a unit on duty in the area. By contrast, where police are mixed, their ability to contain inflammable situations is markedly enhanced. During the 16 May 2003 clash in Tetovo, Albanian youths angrily approached a police wagon. Upon seeing that a fully mixed group of seven officers was inside, they backed off and the incident was contained. ICG interview with Deputy Minister of Interior Fatmir Dehari, 21 May 2003.

25 DBK in Macedonian initials, a legacy from the former Yugoslavia where its Belgrade-dominated centre was the UDB-a, the internal state security bureau.

26 Albanians privately and publicly accuse the Macedonian successor DBK of involvement with Albanian organised crime in Western Macedonia. ICG met with an investigating judge of Albanian ethnicity who made the same allegation. A frequent insult among Albanians is to label one a “spy” or “ex-spy” for UDB-a. One highly prominent Albanian politician in Macedonia has often been so accused.
sector. Moreover, it is also alleged that Verusevski failed to inform DUI party officials about major police operations. Dehari told ICG that he had provided State Security Director Verusevski with 60 new names (to supplement the Albanians within State Security that DUI believed were simply “token”), and 80 per cent received security clearance. However, Verusevski continued to drag his feet on taking on Albanians. ICG interview, 21 May 2003.

The operations were near Struga (following a courthouse bombing), Sopot (the arrest of a suspect in the mine incident that killed two NATO soldiers) and, most recently, Brest (the failed operation to capture Jakupi). According to OSCE, these operations were conducted under Verusevski’s DBK, not Bojcevski’s Public Security Bureau. OSCE has also relayed concerns to ICG that Verusevski has obstructed some internal investigations involving police operations. Kostov defended Verusevski to ICG, saying that he had “assumed” there would be notification, and Albanians would have been included in the Sopot operation. ICG interview, 19 June 2003. Kostov also vigorously defended him against the charge that he has “a problem” with Albanians. He likewise defended his obvious conflict of interest in owning a private security firm but told ICG that he has forbidden Bojcevski from taking on new security contracts. Verusevski as well has been tainted by allegations regarding ownership of more than one state apartment.

The principal goals of the New Approach to Policing are built; establishing a media strategy; and improving freedom of movement by removing police checkpoints.

On the 2003 anniversary of the killings, the ICG project director and the Open Society Institute director issued a joint statement calling on the new government to conduct a full investigation. Kostov promised to do so and release the results in April 2003. The State Department, in its annual human rights report, also cited the case as a serious human rights violation. However, no progress has been reported.

ICG interview, 21 July 2003.


**B. ETHNIC ALBANIANS AND STATE AUTHORITY**

Albanians share responsibility for the lack of full confidence between citizens and police. There have been times when villagers protested operations even though the Interior Ministry did fully inform the DUI party. Allegations of police brutality linked to arrests at the Sopot mine appear to have been wholly unsubstantiated.

Many Macedonians view these ethnic Albanian protests as manifestations of a broader resistance to all state authority. A senior DUI official freely acknowledged that Albanians have traditionally “opposed central authority”. A senior international financial official noted a lower incidence of tax payment in Albanian areas, a phenomenon that, as government is decentralised, some ethnic Albanian mayors themselves have expressed anxiety about. The Albanian daily Fakti asserted that more than half of Tetovo citizens (which includes Macedonians) do not pay their electricity bills.
Greater Albanian acceptance of state authority is central to the viability of the peace accords, which are under-girded by a tacit social contract calling for Macedonians to share more state privileges in exchange for Albanian acceptance of the state’s integrity and authority. Overall, Ali Ahmeti’s DUI party has been faithful to the social contract, giving the green light to the police to take on criminals and extremists while repeatedly urging Albanians to cooperate. This approach may well be costing him popularity in the polls and authority on the ground.

That Ahmeti must struggle to get respect for police and state authority is another indication that it is premature to pronounce Macedonia a success. The country’s institutions, including but not limited to the police, simply have not performed in a way that instills confidence among Albanians. Until they do, it will be difficult to make much needed changes in Albanian patterns of behaviour, including payment of taxes. Even with dramatic improvement in state capacity and performance, it could take years to achieve minimum standards of respect for and participation with the state.

C. THE LIONS ROAR AGAIN

For Albanians, the most visible symbol of police oppression is the disgraced special police unit the “Lions”. Despite his clear determination to clean up this legacy from his predecessor, Interior Minister Kostov has found lion taming difficult. In January 2003, sensing that they were likely to lose their jobs, the Lions forcibly blocked the main crossing into Kosovo. Kostov responded by dispatching a rival special unit, the “Tigers”, to the scene. After a tense, two-day stalemate, he and the prime minister agreed with Lions representatives to a five-point reform plan guaranteeing employment. Sources say that Kostov bitterly opposed the deal but it was approved by the government on 25 January.35

Appeasing the Lions came at a steep price. Of the 630 Lions to be re-employed (430 in the ministry of interior and 200 in the army), a sizeable number were admitted without the promised screening process.36 A number of known criminals were quickly returned to uniform, including the Lion who beat journalist Zoran Bozinovski after the elections and the Lions who fired shots at a campaign appearance by Finance Minister Petar Gosev. This has shaken the confidence of ethnic Albanians. Although Kostov resisted the deal, many Albanians recall he had pledged to resign if he faced any interference with his duties.

The deal also set back efforts to bring greater ethnic balance to the ministry as a whole – where Albanians are just 7.5 per cent, and none are formally integrated into the special police units that remain critical for containing heavily armed organised criminals and extremists. Former NLA commanders (even those loyal to Ahmeti) caution that all-Macedonian special units are still unwelcome in Albanian villages. The Lions debacle has reinforced the need both to reform and integrate the special police. Kostov has presented a plan, which is to be backed by UK aid, but it has not been initiated. It would replace Lions and Tigers with a unified 450-strong Rapid Deployment Unit with three branches: rapid reaction; public order; and support.

Unfortunately, the plan does not include urgency in recruiting Albanians. British advisors have suggested that the ministry ease the length of police service required for special unit eligibility and seem content merely to ensure there is “no bar” against Albanians.37 This would seem to underestimate both the symbolic and practical urgency of getting qualified ethnic Albanians into a force still despised by most Albanians as a bastion of oppression.

35 The plan stipulated that some 630 Lions would be subject to the agreement, with priority for those who joined by 31 December 2001; there would be an unspecified “transformation” of the Lions’ second battalion; unit members with proper employment agreements would be transferred into the Interior Ministry, according to ministry needs and individual qualifications, while those without employment agreements but who met legal conditions for employment would begin full-time employment immediately in either the police or army; a joint monitoring commission would be formed; fictitious names would be erased from the list; and the government would promptly take appropriate implementing steps. A demand to give the Lions amnesty for crimes committed since the 2001 conflict was rejected.

36 Lions defenders justified the re-employment with comparison to the NLA, whose members received a full amnesty for war-time acts. A senior Macedonian official pointed out to ICG that most of the re-employed Lions are from the unit with most criminals, the Second Battalion. The leaders of this battalion selected who would remain employed. Many from the less troublesome First Battalion were left out and have since protested. Kostov insists that no more ex-Lions will be employed. ICG interview with senior official conducted on 23 June 2003.
D. THE POLICING GAP AND EUFOR/CONCORDIA

The continuing difficulties faced by Macedonian police, the EU’s failure to develop a long-term policing strategy and the OSCE’s reluctance to address operational policing issues more robustly combine to reinforce the importance of international security assistance. The EU’s maiden security mission, Concordia, has been an effective follow-up to the original NATO mission. Extremists have largely avoided tangling with it, and strongly pro-NATO Albanians become accepting, if not enthusiastic.  

However, tensions over Iraq, the strain of making cooperation arrangements with NATO work, and most recently a sharp dispute over the International Criminal Court have all cast shadows on relations between the EU force, the U.S. and NATO.  

EU and NATO officials both admit that information is not effectively shared. Some senior EUFOR officials see the elaborate, dual reporting chain organisation charts as cumbersome and unnecessary. NATO officials say the EU does not respect them, instead reporting along national lines, and question EU field performance. Moreover, the two organisations actively compete for influence in the security sphere. The EU chafes at NATO’s continuing advisory role on Macedonia’s overall defence reforms and border management process, yet is not in a position to offer a superior alternative. NATO no longer has good knowledge of what is happening in the field. Rather than complement each other, the two institutions have given Macedonian ministers dissonant messages.  

The EU sees border management as an inherently civilian task on which it should lead, while NATO insists that it is better placed to handle it. The competition came to a head when NATO officials accused the EU of sabotaging the conference that they had initiated on Border Security and Management in Ohrid on 22-23 May 2003. While many officials insist that “European standards” require switching border security from the army to a new border police service, at least one former NATO commander believes this mistaken. With Kosovo’s status still unresolved and the threat of armed extremists infiltrating and then retreating from the province still real, he argues that the mission on Macedonia’s northern border remains military.  

International bickering and Macedonian overconfidence have clouded the debate over what type of security mission should follow Concordia after its planned 15 December 2003 conclusion.  

On 29 September, the EU approved deployment of an EU Police Mission (“Proxima”), from at latest 15 December. Planning for it began on 1 October, under the leadership of Bart D’Hooge, already in-country as director of the OSCE Police Development Unit. It is not clear, however, whether either the government or the international community fully grasps the nature of Macedonia’s security needs. Even Kostov, regarded as a minister who is sympathetic to international security assistance, said recently that he needs only “monitors”, not hands-on police help.  

In this light, it is important to underscore the three major contributions of NATO and, to some degree, its successor EU military mission:  

- highly adept, mobile liaison teams with clear operational trouble-shooting capabilities;  

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38 The EU’s “Operation Concordia” has similar tasks to its NATO predecessor, chiefly to constitute a visible presence in potentially unstable areas so as to build confidence, to provide emergency evacuation to international monitors, to liaise with a variety of actors, international and local, and advise and coordinate on border security with the host nation. NATO still has three roles: to advise on defence reforms in the context of NATO membership; assist in border security management, with the aim to transfer tasks from the army to a border police component; and to support logistically KFOR. NATO 8 May 2003 press conference.  

39 In Macedonia, NATO continues to maintain its KFOR rear headquarters, its security advice mission and its Civilian Liaison Mission, headed by a special envoy of the Secretary General.  

40 The arrangements for cooperation with NATO on missions such as that undertaken by the EU in Macedonia were agreed in December 2002 and are known as the “Berlin plus” procedures.  

41 ICG interview with former senior military official in Macedonia. The official stressed that it was inappropriate to consider the Kosovo border mission a routine “border police” mission since much activity involved not only patrolling but laying ambushes and conducting other operations more of a military nature.  

42 On 21 July 2003, EU foreign ministers agreed to extend the “Concordia” mission to 15 December. French leadership gave way in September to a multinational EUFOR headquarters.  

43 ICG interview, 19 June 2003.
visible assurance that isolated incidents will not erupt into major conflagrations; and,

- tangible reminder of international commitment to the Ohrid peace agreement.

The importance of these contributions for ethnic Albanians in general, and Ali Ahmeti in particular, cannot be overestimated. From the earliest days of the NATO mission, the DUI leader has made it clear that he considers the international community, not the Macedonian signatories, the real guarantor of the Ohrid peace agreement. His response to criticism of Ohrid by other Albanian leaders was, “If we proclaim the Ohrid agreement dead, this would mean that we have proclaimed the U.S., EU and NATO dead.” 44 Still disappointed with NATO’s departure, senior DUI officials recently indicated they are largely indifferent if Concordia leaves. However, they are adamant that any EU police successor be fully capable, active and engaged.

**E. ELEMENTS OF A SUCCESSFUL SECURITY MISSION**

In the best interests of all, the EU and NATO must cooperate to produce a security assessment that reflects accurate judgments about existing and potential risks. Five separate steps are needed. First, they must resist over optimism. Prematurely cutting back on patrols along the problematic Tetovo-Jaznice road already proved a mistake that had to be reversed. 45 Given uneasy ethnic relations, one can easily envision the need for a continued confidence building presence in the country after December. The fatal mine blast in Sopot village in March 2003 (likely aimed at Macedonian security forces) and anti-army disturbances in April in Tanusevci, where the 2001 conflict broke out, as well as the furore over the Brest operation are reminders of the depth of mistrust.

Secondly, Concordia should seek every opportunity to share and transfer responsibilities. Joint patrols with Macedonian security forces would counter the suggestions that Macedonia is becoming “security dependent” and help build Albanian trust. Joint extraction exercises would be another way of building the confidence necessary for the army to take over the full security mission.

Thirdly, Macedonia should make its position on an international security presence independent of how this might affect chances for EU or NATO membership. During the 2001 conflict, many Macedonians rued the premature 1999 departure of the UN security force (UNPREDEP). They should bear in mind that conflict would be the greatest blow to their membership hopes. The clear purpose of the Adriatic Charter, signed between the United States, Croatia, Albania and Macedonia on 2 May 2003, and indeed the understanding from the November 2002 NATO summit in Prague, was that Croatia, Albania and Macedonia could expect to participate in the next NATO enlargement. The EU and NATO should make it clear that Macedonia’s chances will not be adversely affected by the presence of peacekeeping missions. U.S. efforts to recruit Macedonia into the military coalition against Iraq have weakened the argument that Skopje is a “security consumer”, not a NATO-worthy “security contributor”. Albanians and a growing number of Macedonians believe that joining NATO would help stabilise the country but two-thirds of those polled recently believe Macedonia will “never” or “not soon” do so. 46

Fourthly, NATO, the EU and Macedonia should develop a police mission that retains the potential to link to military support. As a former NATO commander explained, the effectiveness of his lightly armed field liaison teams depended on their ability to call up firepower. If the security situation continues to improve, Concordia’s liaison teams could be replaced by a reinforced, expanded and highly visible European Union Monitoring Mission (EUMM) alongside an operational EU police assistance mission. 47 The credibility of the EUMM

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44 “Ahmeti’s Ohrid Agreement against Xhaferi’s Division of Macedonia”, cited in *Skopje Diem*, 27 May 2003.
45 When tensions heightened in January 2003, the then NATO-led Allied Harmony mission hastily re-introduced the patrols to the relief of the local community. They had been routinely conducted by the predecessor NATO mission, Amber Fox.
46 Poll in *Skopje Dawn*, 22 March 2003, citing articles in *Dnevnik* and *Utrinski Vesnik* on a recent survey conducted by the Institute for Sociological, Political and Legal Research. The IRI survey showed that 71 per cent of citizens favoured NATO membership.
47 The European Union Monitoring Mission (EUMM) is the successor of the European Community Monitoring Mission (ECMM). Consisting of unarmed observers from the fifteen EU member states, Norway and Slovakia. It operates in all five Western Balkan states, and reports directly to Javier Solana the High Representative for the EU’s common foreign and security policy. The separate communication chain for
mission would be enhanced if it were formally incorporated into the EUFOR structure. Both EUMM and EU police should have the right to call for extraction, if needed, on NATO assets based either in Macedonia or Kosovo. If NATO and the EU cease their bickering, the ideal solution would be to utilise the NATO force headquarters for Kosovo (KFOR Rear, in Macedonia) as a joint EU-NATO back-up force. If EUMM and Macedonian officials believed that tensions were rising and an army deployment would aggravate the situation, forces could be called up from KFOR Rear under the EU flag. This would allow Macedonia to retain the security of a reserve force without keeping a long-term peace keeping presence on its soil.

Fifthly, Kostov and his deputies would benefit from having an in-house, senior police official able to call up political support from the international community in Skopje and Brussels as the able British brigadier general in the ministry of defence does. A police officer of corresponding rank from an EU country could both coordinate the comprehensive review and assist on operational matters.

The mission statement for Proxima is a good start. It identifies priorities as supporting the consolidation of law and order, including the fight against organised crime; implementation of the comprehensive reform of the ministry of the interior, including the police; operational transition towards, and creation of a border police, as a part of the wider EU effort to promote integrated border management; building local confidence in the police; and enhanced policing cooperation with neighbouring states.48 However, sufficient resources and political will must be found to achieve these objectives.

III. ECONOMIC DISCONTENTS

While economic woes are part of the landscape in many transition countries, in Macedonia they often carry direct security implications. Persistent unemployment has come to represent the unfulfilled promise of the Ohrid agreement for many Albanians. As Mersel Bilajli of the small Albanian Party for Democratic Prosperity maintained, “The economic and social sector is our real priority. It is obvious that citizens of Macedonia are becoming poorer very rapidly”.

In its dozen years of independence Macedonia has lost one-quarter of its national income.50 The official unemployment rate was 32 per cent in 2002 (the real figure would be somewhat better due to unreported hiring in the informal sector).51 Economic recovery has remained elusive in the wake of the 2001 crisis, when GDP fell 4.1 per cent. Growth in 2002, mostly in the service sector, was a mere 0.3 per cent.

In early February 2002, the government agreed with the International Monetary Fund (IMF) on a new Stand-by Arrangement worth U.S.$27 million that also triggered release of tens of millions of dollars in blocked donor funds.52 It imposed austere terms, including long-overdue dissolution or privatisation of loss-making enterprises and a cap on state hiring (with limited exceptions for the police), and required the government to improve its balance sheet by U.S.$135 million through either budget cuts or new revenues. The social democrat-liberal democrat coalition opted for new revenues by increasing the value added tax (VAT) on a broad range of products.

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48 Article 3 of draft Joint Action in Council conclusions on a European Union Police Mission (EUPOL) in the former Yugoslav Republic of Macedonia, 29 September 2003

49 “Possible destabilisation of Macedonia because of economic and social problems”, Radio Free Europe Macedonian Service, 7 May 2003.

50 In the region, only Serbia and Montenegro showed sharper falls, with incomes that have halved since the dissolution of Yugoslavia. See “In 12 years, Macedonia lost one-quarter of national income”, Vest, 8 May 2003, citing the London Times.

51 Still, the increase in unemployment is probably no illusion. UNDP polling data reflects growing fears about unemployment and job security “indicat[ing] that not only are [these] problems experienced as very serious but also that they are perceived as having grown more acute since the survey was last undertaken in September 2001”. UNDP Survey, op. cit., p. 24.

52 The IMF Board of Directors approved the stand-by arrangement on 30 April 2003.
from 5 to 18 per cent.\textsuperscript{53} The IMF also imposed a strict 2 per cent of GDP limit for the budget deficit, hoping that fiscal responsibility would help ease monetary policy and diminish Macedonia’s high interest rates.

Waiting for tough medicine to work is never easy. The IMF expects Macedonia to come at least within 1 per cent of the projected 3 per cent growth rate for 2003 but a contradictory report from a respected international economist concludes growth will be less than one per cent.\textsuperscript{54} Based on anecdotal observations, one experienced investor believes the economy is still stagnating, with cuts in government spending depressing procurement.\textsuperscript{55}

Strict fiscal discipline is having the desired effect on monetary policy – Central Bank interest rates of 16 per cent have fallen to about 7 per cent – but actual lending rates remain stubbornly high for all but the best of borrowers. Banks continue to avoid lending in the former crisis areas, convinced that Albanian borrowers are a bad credit risk and the police and courts will be reluctant to enforce collections. There is reluctance to lend to the crisis areas in general; and even Macedonian businesspeople in parts of western Macedonia have difficulty obtaining credit.

Given both difficulty in securing credit and overall uncertainty, many Macedonian businesses are moving out of troubled areas in western Macedonia.\textsuperscript{56} A Greek firm with holdings in central Macedonia rejected an opportunity to acquire a factory near Tetovo due to security concerns, preferring instead to build a wholly new facility in Greece at several times the cost.\textsuperscript{57} While Albanian investment continues in Tetovo and other areas, it is unlikely to drive sufficient job growth to absorb a rapidly expanding young Albanian labour force, including former NLA fighters. It is also likely to leave “minority” Macedonians unable to find work in Albanian-dominated areas. Many of the unemployed will have to look abroad or remain idle; many Macedonians may leave Western Macedonia.

Depressed Eastern Macedonia is also sending a steady stream of young people abroad.\textsuperscript{58}

At IMF urging, the government intends to cut state employment by 4 per cent, releasing 4,000 workers.\textsuperscript{59} There are fears, however, that further belt-tightening could spur strikes and unrest. Almost two-thirds of respondents to a UNDP survey said they would participate in strikes and demonstrations over unemployment or wages; roughly half expected violence over the economic situation.\textsuperscript{60} Some observers believe that ambitious union leader Vanco Muratovski will play a crucial role in 2004.\textsuperscript{61} The president of the largest union in the umbrella syndicate has shared his concern that Muratovski could press for strikes to advance a political agenda.\textsuperscript{62} The potential for spillover into the ethnic arena is clear. On 16 July 2003, 600 fired employees of the state electrical utility clashed with police in front of parliament.\textsuperscript{63} They were angered in part by the suggestion of an Albanian parliamentarian that cutbacks were positive because they would leave Albanians as a higher percentage of the utility work force.

Muratovski and opposition politicians sense that the Crvenkovski government is vulnerable on the economy. The most common criticisms are that the coalition lacks a sound economic program and has been slow to adopt reforms. The old VMRO-DPMNE government, for all its alleged corruption, did push through some important measures\textsuperscript{64} but observers see little dynamism in the SDSM-led government, with agriculture in particular largely neglected. Many farmers, with little access to foreign markets, receive extremely low prices – watermelons sold recently for less than one cent a kilo in some areas. The ministries of economy and agriculture have largely failed to develop programs to help small

\textsuperscript{53} The general VAT rate was cut a single point as well, from 19 per cent to 18 per cent. The tax increase brought substantial criticism on Finance Minister Petar Gosev.
\textsuperscript{54} ICG interview with IMF country representative, 21 July 2003.
\textsuperscript{55} ICG interview with investment fund manager, 17 July 2003.
\textsuperscript{56} ICG interview with fund manager who has invested in Western Macedonia firms, 17 July, 2003.
\textsuperscript{57} ICG interview with representative of foreign-owned firm, 4 May 2003.
\textsuperscript{58} One Western embassy told ICG visa requests have nearly doubled each year since the conflict, with the sharpest rise among young Macedonians.
\textsuperscript{59} ICG interview with Finance Ministry State Secretary Kargov, 15 May 2003.
\textsuperscript{60} UNDP Survey, op. cit., p. 26.
\textsuperscript{61} ICG interview with Kapital editor Ljupco Zikov, 11 July 2003.
\textsuperscript{62} ICG interview, Skopje, 21 July 2003.
\textsuperscript{63} “Fired employees from ESM yesterday clashed with police”, Skopej Dawn, 17 July 2003.
\textsuperscript{64} Former Minister of Finance Nikola Gruevski, the new President of VMRO-DPMNE, is credited with important reforms that included introducing the VAT and national payment card and streamlining management at the ministry.
farmers meet the technical and administrative standards for export.

The government continues to be pulled sharply between competing goals:

- the need to slash the deficit and state employment and eliminate inefficient state enterprises, while
- stimulating the economy and boosting overall employment – particularly ethnic Albanian public sector employment as required by Ohrid.

The World Bank is working on a strategy to help. The U.S. Embassy has launched a promising initiative with some of Macedonia’s most successful businesspeople, including Svetozar Janevski of Pivara Skopje. The group has developed a plan to seek out foreign investors and, by concentrating the attention of top-level government officials on promising proposals, overcome administrative barriers to investment. The biggest signal to investors would be more encouragement for eventual EU membership, but little came out of the EU’s June 2003 Thessaloniki Summit. According to Macedonian government sources, senior EU officials have discouraged Skopje from applying at this time, and the Stabilisation and Association Agreement, signed in April 2001, is not yet in force because it has yet to be ratified by three EU member states: Italy, Finland and Belgium.

But even if Macedonia makes major reforms, security remains the key concern. As Prime Minister Crvenkovski said, “We cannot expect significant improvement in the economy until we stabilise the security of the country”.

A. Identity and the Struggle for Jobs

Finance Minister Gosev has often shouldered more blame for economic difficulties than either Prime Minister Crvenkovski or Economy Minister Filipovski. A leaked U.S. Embassy message cited “suspicions about whether the Finance Minister is up to the task” of implementing the Stand-by Arrangement. But when he has adhered to the IMF guidelines, Albanians have accused him of deliberately blocking their Ohrid-mandated employment.

As a member of the relatively more hard line Liberal Democrat party and known for tough views on ethnic issues, Gosev personifies for many Macedonian resistance to Ohrid. DUI Vice-President Agron Buxhaku said, “Gosev blocks everything”, including the hiring of Albanians at regional offices of the government. During negotiations over appointments, Gosev allegedly rejected ceding even a single sector of his ministry to Albanians. He denies that he has been an obstacle to hiring Albanians, and says that 900 Albanians are newly employed. In fact, the IMF and the government agreed to cap salaries and imposed a rule of no new net employment except for Ohrid-related hiring in the police and select other areas. All new government employment requires finance ministry approval.

Given the importance of jobs, direct meetings between Gosev and Ahmeti are long overdue. The provision for “equitable representation” in state employment for Albanians (and other minorities) remains one of the most sensitive elements of the

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65 The deficit is largely inherited. On the eve of elections, the VMRO-DPMNE government announced a 10 per cent increase in public sector wages and a plan to reimburse depositors in the 1997 Tat pyramid scandal. These packages ballooned the deficit to about 6 per cent of GDP. Macedonia is also saddled with pension payments, equaling 8.2 per cent of GDP, higher than those of richer countries like Hungary and Croatia whose GDP is more than three times greater. “FYR Macedonia: Decentralisation Status Report”, No. 24305, Poverty Reduction and Economic Management Unit, Europe and Central Asia Unit, World Bank, 15 September 2003, available from www.worldbank.org .

66 The 12 March 2002 donors conference pledged approximately U.S.$25 million to cover some Ohrid-related expenses, like hiring Albanian interpreters in courts and parliament.

67 ICG interview with Svetozar Janevski, General Manager, Pivara Skopje, 28 July 2003.


69 “Butler: ‘Suspicion about whether the Finance Minister is up to the IMF Agreement is a concern”, Kapital, 20 February 2003.

70 ICG interview, 21 July 2003.

71 ICG interview, 11 June 2003. Gosev also maintained that reemploying the Lions has badly affected finances and the number of state positions available to Albanians.

72 ICG interview with Finance Ministry state secretary Kargov on 15 May 2003. He said the government would cut state employment by 4 per cent, sacking some 4,000 workers at IMF prompting.
Ohrid agreement. 73 Given traditional Macedonian reliance on state employment, the struggle for jobs often seems a zero sum contest. 74 Albanians occupy about 11 per cent of all state enterprise positions, many at the lower levels. 75 Asked to name the most important element in the Ohrid agreement (other than decentralisation), Albanian mayors queried by ICG most often named public sector employment. 76

The overworked deputy prime minister, Musa Xhaferi of DUI, is saddled with satisfying Albanian job expectations without offending either Gosev or the IMF. To avert a confrontation pitting fired Macedonians against newly hired Albanians, international officials have tried to dampen Albanian expectations. Consultants now distinguish between “proportional representation” (strict quotas) and Ohrid’s goal of “equitable representation” (a process of fair employment) and suggest attrition hiring as a less painful way of changing the state workforce. However, only 1,400 Macedonian retire per year. 77

Finding positions for Albanians in new, Ohrid-mandated positions has also been used to blunt tensions. On 14 April 2003, the government approved five steps, including hiring Albanian language interpreters for parliament, government, the Supreme Court and other government agencies and creating more bilingual posts. 78 It also agreed to establish a training program to help Albanian candidates satisfy requirements. Xhaferi and other DUI officials readily concede that the education levels among Albanians – not just Macedonian obstructionism – pose a major obstacle. In what could be a model for addressing the education deficit, 600 former NLA soldiers and other Albanians are to be given remedial education at Tetovo’s South-East Europe University beginning in the last months of 2003. The goal for equitable representation is still modest: a 2 per cent increase in 2003 that would boost Albanian representation to between 13 and 14 per cent. This translates to finding 2,400 positions, about 1,600 in the ministries of internal affairs and defence and 700 in the ministries of education and health.

The army is an overlooked area for equitable representation. NATO is asking the government to bring the 60,000-member force – including 45,000 reservists – down to about 6,500. 79 Albanians presently make up about 4.5 per cent of the total. With more than 50,000 thousand mostly Macedonians eventually due to be discharged, officials estimate that some U.S.$40 million will be necessary for severance packages. Defence Minister Vlado Buckovski has pledged to boost the Albanian percentage in the military, and some preliminary gains have been made, particularly with female recruits. However, the army will not achieve its 14 per cent Albanian representation target in 2003. Officials, struggling to cope with reductions, treat Albanian representation as an ancillary issue.

Traditionally many workers in the Balkans – particularly in the days of the old Yugoslavia – eased Western Europe’s labour shortages. Today’s EU is reluctant to open up the sensitive guest worker issue, particularly as it is admitting eight former Socialist states (including one former Yugoslav republic). However, the strict visa regime applied to Macedonia and its neighbours does nothing to help the EU’s own economy and empowers people traffickers while penalising honest travellers. Relaxing the visa regime would be a good way for the EU to send a message to the people of Macedonia, and the Western Balkans generally, that it considers them Europeans.

73 Ohrid’s Paragraph 4.2 imposes measures “to assure equitable representation of communities in all central and local public bodies and at all levels of employment, while respecting the rules concerning competence and integrity that govern public administration. The authorities will take action to correct present imbalances in the composition of the public administration, in particular through the recruitment of members of under-represented communities”.

74 According to Minister Gosev, the budget has high fixed costs: 36 per cent for state employee salaries and 27 per cent for pensions. Some 128,000 work in the public sector, an enormous number for such a small country. “Public Administration in Macedonia”, Forum, 4 July 2003.

75 In 2000, public sector jobs broke down along the following ethnic lines: 84.9 per cent Macedonian, 10.2 Albanian, 1.8 per cent Turkish, 1.6 per cent Serb and 0.9 per cent Roma and Vlach, with 1.1 per cent of unknown ethnic origin. See “In the police and army, work for 1600 Administrative Albanians”, Utrinski Vesnik, 26 March 2003.

76 ICG interviews with Albanian mayors, January and February 2003.

77 EU sources say that 2,000 jobs would be needed annually to achieve even the reduced goal of 14 per cent Albanian employment.

78 See “Project to realize the program concerning equitable representation”, government document adopted 14 April 2003.

79 ICG interview with NATO security official, 30 April 2003.
IV. CORRUPTION AND ORGANISED CRIME

The assassination of Serbian Prime Minister Zoran Djindjic sent a chilling warning about the nexus of official corruption and organised crime. In its aftermath, Prime Minister Crvenkovski warned that “the danger of the criminal and political underground must not be underestimated, because there are definitely forces in the region and in each country which manage best in a situation of chaos and instability”.80 While the situation in Skopje does not rival that in Belgrade, credible questions have been raised about the effectiveness of the fight against corruption and organised crime. Some have suggested there are direct links between Belgrade’s notorious Zemun clan and the Lions. Serbian Deputy Prime Minister Nebojsa Covic reportedly named Zemun clan associates who trained the Lions, though not individuals within the Serbian mafia possibly operating in Macedonia.81 Other concerns have been raised about Greek investment, on which Macedonia is heavily dependent, fronting for Russian capital of dubious origin. Officials are also concerned that Cyprus’s forthcoming entry into the European Union may push questionable financiers off that island and into Macedonia.

A. THE ANTI-CORRUPTION CAMPAIGN: BREAKTHROUGH OR POLITICAL THEATRE?

Macedonia launched its attack on corruption and organised crime well before the Djindjic assassination. From the outset, Prime Minister Crvenkovski has insisted it would be a pillar of his administration. In one poll, a resounding 82 per cent supported the campaign.82 Both Macedonians and Albanians rank corruption among the country’s top problems. In the UNDP survey, only unemployment was a higher priority.

Interior Minister Kostov has aggressively pursued suspects from the former government, 23 of whom, according to the OSCE, have been arrested, including the former ruling party’s erstwhile general secretary, Vojo Mihajlovski and ex-Minister of Economy Besnik Fetai. However, the crackdown has made little progress in court. Four of the highest profile figures have been released, including Mihajlovski. The only conviction was subsequently overturned. VMRO-DPMNE officials have repeatedly charged that the government is pursuing a political vendetta with selective prosecutions. However, few of their allegations that due process has been violated have been substantiated, according to OSCE’s Rule of Law department.83

VMRO has also charged that the government has not investigated its own friends for possible wrongdoing with equal vigour, as Crvenkovski and Kostov repeatedly promise they are prepared to do. A test case of its even-handedness may have appeared with announcement by Slajjana Taseva (a Crvenkovski appointee) in June 2003 that the State Anti-Corruption Commission she chairs was initiating procedures to seek annulment of the 1995 privatisation of the large freight firm Fersped AD-Skopje, whose owners are said to be close to SDSM. She has said she would file a Commission proceeding if the public prosecutor, public attorney and courts fail to follow through on the case. The company defeated in court an attempt by the previous government to annul the privatisation shortly before it went out of office in 2002. The media has mostly ignored the affair or treated it with disdain, perhaps because Fersped has had a substantial ownership interest in the newspaper Vest.

The media’s treatment of the Anti-Corruption Commission has heightened concerns about possible government intimidation. Another important case involves a February 2003 decision to buy U.S.$30 million worth of oil in anticipation of the Iraq war. The government awarded the purchase contract without competitive bidding, arguing that this was legal, and no alternative supplier was available.84 An opposition source, citing oil industry associates, maintained that the purchase of so much oil would normally benefit from a discount of at least 3 per cent – in this instance, some U.S.$1 million. There are concerns that this discount may have been pocketed and that the state-fixed price remained artificially high even after this oil was put on the


81 “Covic claims ties between ‘Zemun Clan’ and Macedonia, Makfax, 14 April 2003.


83 ICG interview, 10 March 2003.

market at the end of hostilities in Iraq.\textsuperscript{85} The Anti-Corruption Commission is looking into the case.

Failure to follow through vigorously on corruption would have serious consequences for public confidence and reduce the likelihood of more robust economic growth. The prime minister has acknowledged that delays on corruption cases “are killing the hope of citizens that we can deal with this great evil”, while eroding confidence in the courts.\textsuperscript{86} However, he also maintained that the government and prosecutors are doing their job, despite complaints by the Anti-Corruption Commission Chairperson that the interior ministry has been better at opening cases than bringing them to a satisfactory conclusion.\textsuperscript{87} He has also emphatically denied speculation that a “non-aggression” pact has been reached with former Prime Minister Georgievski that would limit investigations and prosecutions of certain senior VMRO-DPMNE officials.

\section*{B. The Need for Greater Judicial Independence}

In late April 2003, the government issued a 30-page “Strategy to fight corruption”. On 17 June, the Anti-Corruption Commission released a more comprehensive action plan with detailed recommendations in six areas: politics; public and state administration; the legal system; the criminal system and anti-corruption bodies; the economic and financial system; the civil sector, media and international organisations.\textsuperscript{88} Taseva called judicial reform the highest priority, particularly building judicial independence by ending parliamentary appointment of judges and replacing the highly political Republic Judicial Commission with a State Council of Justice.

The Commission’s proposal for an independent state council would require amending eighteen articles of the Constitution. Given the inherent government interest in retaining political influence over the judiciary and reluctance to reopen the constitution after the bruising Ohrid process, it is highly unlikely that the small, overworked Commission can move this forward without international engagement. However, no international agency has taken the lead on these issues. With its resources and experience on governance and corruption, the World Bank is well suited. OSCE, with its relatively sizeable and highly skilled rule of law staff, is already following the courts. Together, the two could provide considerable impetus. However, the OSCE has been reluctant to raise the issues, viewing its primary role as security related.\textsuperscript{89}

Ironically NATO – a political-military organisation – has been most prominent among international actors on these issues. At top-level meetings at its Brussels headquarters, it has delivered blistering criticism to Macedonian leaders for failing to tackle corruption. Recently, the European Commission has also shown more interest.

There is no consensus among donors and Macedonian civil society, however, regarding the most serious problems with the judiciary. Most funding is aimed at capacity building, salaries and training, rather than judicial independence specifically.\textsuperscript{90} The director of the Open Society Institute in Macedonia, Vladimir Milcin, believes the emphasis on low salaries as a source of corruption underestimates the extent of political influence in the judiciary. He notes that Supreme Court justices are among Macedonia’s best paid professionals but the president of that court, Simeon Geleski, has acknowledged that judges regularly face pressure, threats and blackmail.

The case of notorious trafficker of women, Dilaver Bojku, is a prime example of a related problem. He received a sentence of only six months, then escaped from prison where he was under remarkably lax supervision. The court had been unable to prevent

\textsuperscript{85} ICG interviews with senior opposition figure, June and July 2003. The director of the company that received the contract denied there was any discount or manipulation of the oil price and said his firm lost money on the deal. ICG interview 4 July 2003. Minister of Economy Ilija Filipovski did not respond to a faxed ICG request for an interview on this subject.


\textsuperscript{87} ICG interview, 21 July 2003.

\textsuperscript{88} The plan calls for over 40 laws to be changed or adopted; among the most innovative proposals are those concerning political party financing.

\textsuperscript{89} ICG interview. The OSCE does consider that it has a subsidiary role in helping to finance the anti-corruption strategy, monitoring trials and training local trial monitors.

\textsuperscript{90} The U.S. has earmarked about $15 million and the European Agency for Reconstruction about €7 million for judicial reform. OSCE has a program to help prosecutors build more effective cases.
Bojku’s associates from intimidating witnesses and even OSCE observers. In another women trafficking case, two suspects were freed even though there was evidence to link them to a triple murder during an attempted kidnapping of prostitutes from a brothel in the village of Dobri Dol.

V. DECENTRALISATION AND MUNICIPAL BOUNDARIES

Government decentralisation was a key element of the Ohrid agreement but progress has been slow. The return to municipalities of many powers they held before independence in 1991 would benefit both Macedonians and Albanians.\(^91\) Decentralisation can make local governments more responsive and effective – not just delivering more rights for Albanians, but also building a civic state in which all communities have an equal stake in reform.

From ICG meetings with over a dozen mayors as well as the multiethnic, non-partisan Association of Units of Local Self-Government (ZELS), and in discussion with international experts on decentralisation, it is clear that mayors of all political and ethnic stripes are eager to regain greater authority quickly. Local support is greatest when decentralisation is presented as an essential element of government reform, rather than in the Ohrid context. Much Macedonian fear that decentralisation may lead to “federalisation” appears to be easing.\(^92\) Indeed, the relative carte blanche given to municipalities to cooperate in certain sectors, even across international borders, does not seem to concern either Albanians or Macedonians.

ZELS and OSCE officials believe that devolving authority to localities could ease ethnic relations. For example, once Albanian-controlled municipalities can issue licenses, citizens will no longer be able to blame poor service on a Macedonian-dominated centralised bureaucracy. Hot-button inter-ethnic disputes, like those over schooling in Semsevo, Kumanovo, Bitola and Skopje could be eased if

\(^{91}\) Macedonia was far more decentralised before independence. For example, before 1991 the then 34 municipalities had responsibility for managing education. Since 1991, the Ministry of Education has directly managed the country’s schools, even appointing principals. In the late 1990s, under Council of Europe pressure, the tide turned again, and a new decentralisation law had already been drafted when the conflict broke out in 2001.

\(^{92}\) A poll, by Gallup International, represented locally by Brima, compared attitudes in 2001 and 2002 toward decentralisation. A substantial number of Macedonian citizens initially indicated fear of decentralisation – “as a step toward Federalisation (by Albanians)”. However, this diminished from 64 per cent to 48 per cent a year later. “Analysis of research results from public opinion survey”, Brima, Local Government Reform Project.
municipalities controlled education, as envisioned under Ohrid.

Other divisive issues, like the perception that Albanians do not pay their fair share of taxes, could also change once municipalities play a more relevant role in the lives of citizens. Currently, municipalities only supply a few services such as refuse collection, street cleaning, public lighting and road maintenance. As noted above, some Albanian mayors concede a measure of truth to the tax stereotype, but all are convinced that Albanian citizens would begin to pay their share with improved local services and control.

A. A CENTRALISED APPROACH TO DECENTRALISATION

Ohrid’s drafters recognised the crucial importance of decentralisation. Apart from sixteen constitutional amendments, the Law on Local Self-Government was the sole legislative prerequisite for the holding of a donors conference. The decentralisation process requires two additional laws: on local finance and on municipal boundaries, the latter to cut sharply the number of municipalities, with drastic redrawing of boundaries. A further law, on the city of Skopje, would reorganise the capital, which has nearly a third of the population.

The Law on Local Self-Government, passed in January 2002 after a squabble over who would have access to the lucrative state Health Fund, expanded municipal capacities in theory but gave little direction for implementation. A dozen functions performed by the central government are earmarked for local transfer – but without a mechanism or schedule. As of this writing, none have been transferred. In the key health care sector, certain responsibilities and funds have actually been turned back to the centralised Health Fund. The draft finance and boundaries laws have long since missed their Ohrid deadlines.

Officials defend the slow pace of decentralisation, saying the process is complex and so demands a great deal of time. Their prophecy has become self-fulfilling, robbing the issue of any sense of urgency and ignoring why decentralisation is needed, namely to give all citizens greater ownership of their government and the decisions that affect their daily lives. The consequences of this dilatory approach do not appear to be recognised by government leaders or their parties. Only the diplomatic community shows concern, but it, too, seems to have grudgingly accepted the glacial pace.

The IMF has not played a productive role in this debate, and its prescriptions for increasing local revenue have been largely still-born. A modest pilot project to transfer collection of the almost forgotten property tax to a mere four municipalities has also been delayed. Overall, the ZELS executive director complained, “nothing has been done”. The problem is not only Macedonian resistance; Ahmeti has a rather blasé attitude. Like their Macedonian counterparts, DUI leaders seem out of step with the mayors, who decry the lack of progress and the heavy centralisation of appointments. Pressed about the slow pace, Minister of Local Self-Government Aleksandar Gestakovski predicted that decentralisation will take “ten to fifteen years to complete”. Where the

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93 See below.
94 The key issue is whether Skopje and its component municipalities will have equal status, or whether the city will have certain wider powers, as in most large European urban centres. Minister of Local Government Aleksandar Gestakovski estimates that the draft law will be introduced in the first half of 2004, but that nothing will change on the ground until 2005. Skopje’s patchwork of ethnic geography, including Europe’s only Roma-majority municipality, makes this a particularly delicate question.
95 Annex B of the Ohrid Agreement stipulated that the Law on Local Finance should be adopted by the end of the parliamentary term, mid-2002, and the Law on Municipal Boundaries by the end of 2002, taking into account the census results (which are also well behind schedule). At a 26 December 2002 meeting of Ohrid signatories, all decentralisation deadlines were extended: the goal for harmonisation of laws (needed to transfer authorities) was put off until the end of 2003, with complete transfer of responsibilities postponed to after local elections in late 2004.
96 The IMF appears to fear the impact of decentralisation on central budgetary control; the prospect of multiple municipalities running up debt is a worst case scenario for the Fund and drives much of its caution.
97 ICG telephone conversation with Veles Mayor Ace Kocevski, 14 July 2003.
98 ICG interview, 14 July 2003.
100 Most Albanian mayors elected in 2000 are in the rival Albanian party DPA.
101 ICG interviews with Albanian and Macedonian mayors conducted from January to March 2003.
government has dealt with decentralisation, it has tried to maintain significant control. The finance ministry’s draft Law on Local Finance heavily emphasises block grants from the government as the primary source of funding – an approach that would keep the process both politicised and centralised.103

While it is obviously important to get the legislative underpinnings of decentralisation right, this should not mean the sacrifice of immediate, practical steps to bring government closer to the people. However, the lead official on decentralisation, Gestakovski, makes clear that virtually all questions of financing and boundaries will need to be resolved before there is any substantial transfer of responsibilities.104 In other words, a critical component of Ohrid remains hostage to an effort to design optimal revenue sharing plans and reach final agreement on municipal borders – no matter how long it takes. 105

The government could transfer powers that require little money to select municipalities as it continues to work on the complexities of full decentralisation. In interviews with mayors, strong willingness was expressed to cooperate over projects such as water treatment plants. Municipal cooperation is freely permitted in the Law on Local Self-Government, and with active international support this could help reduce tensions and stimulate further local activism.106 In short, the government’s approach to decentralisation remains highly centralised.

The most urgent area requiring decentralisation is education. Officials involved in mediating stand-offs at the Semsevo and Kumanovo schools believe their task would have been much easier had education been devolved.107 Legal ambiguities have opened a dispute over whether mayors or local school boards should have the final authority to appoint school directors.108 Thanks to assistance from a USAID-funded mission, a compromise was reached allowing the mayor to appoint from a list of candidates provided by the school board.109 However, this vital change will not actually take place until 2005.

Some of the most important changes in education require little financing or other painful adjustments. Thus, the controversy over the Semsevo school’s name would be wholly within the ambit of the locality to solve at no cost. So would the Vrapciste case involving the school director. The problem of the overcrowded school in Kumanovo involves capacity, therefore financing, but had the municipality been responsible, it could have identified the urgency earlier and managed the response better than the central ministry and international mediators did.

Building permits illustrate the current system’s shortcomings. A citizen must go to one of 34 regional offices of the central government. This leaves mayors looking ineffectual while nurturing resentment among citizens – especially Albanians – if requests are approved slowly or rejected. Gestakovski acknowledges the problem but says municipalities lack the capacity for town planning. Several mayors contacted by ICG vigorously disputed this; some said they could take on the responsibility “tomorrow”. Small municipalities without architects or engineers could agree with larger ones to rotate experts, Mayor Imer Selmani of Saraj said.110 Small municipalities generally lack capability to manage property records held in the regional offices. However, each mayor ICG met with – Albanian or Macedonian, from a large or small municipality – pledged his willingness to let the principal municipalities maintain those records. According to ZELS, the minister of transport and communication – not an “obstructionist Macedonian” but an Albanian DUI appointee, Miljaim Ajdini, has done nothing to advance the building permit process.

103 See the Official Gazette, 23 December 2002; additional financing is allocated to 42 municipalities in a heavily politicised way.
105 EU Special Representative Brouhns and U.S. Ambassador Butler wrote to Prime Minister Crvenkovski in November 2002 urging that his recently formed government not only pass the laws required to transfer competencies to local government, but also transfer “in parallel” powers involving little or no fiscal authority, so that not all progress would be conditioned on the most difficult issues. Information made available to ICG.
106 Article 14 of the Law on Local Self-Government is entitled “Inter-Municipal Cooperation”; its paragraph (1) provides that “In the performance of their competencies, the municipalities may cooperate among themselves”.
107 ICG interviews with expert involved in both cases, 4 March and 25 April 2003.
110 ICG interview, 24 January 2003. Selmani is also the ZELS vice president.
In the latest version of a draft law, the central government would retain final approval.\textsuperscript{111}

ZELS also makes a strong case for transferring collection of the property tax. If municipalities had the right to collect this tax, which is already earmarked as local government revenue and for that reason not aggressively pursued by the Public Revenue Office, they could easily finance the limited costs associated with town planning.\textsuperscript{112} After prolonged discussions, the finance ministry agreed in July 2003 to transfer collection to four pilot municipalities.\textsuperscript{113} However, Veles Mayor Ace Kocevski, a key member of ZELS, does not expect the pilot project to begin until the end of 2003 or early 2004.\textsuperscript{114} On 25 March 2003, ZELS reached agreement with the government to apply non-partisan criteria for allocation of state surpluses – 70 per cent to poor municipalities and 30 per cent to richer ones.\textsuperscript{115}

The IMF, which has gone beyond its fiscal solvency mandate, shares some responsibility for delay on decentralisation by insisting not only that municipalities be barred from assuming debt but that Macedonia consolidate municipalities into more economically viable units. The parties have largely accepted its further stipulation that the Law on Municipal Boundaries have priority over the Law on Local Finance.\textsuperscript{116}

The USAID-funded DAI-Local Government Reform Project (LGRP) has demonstrated that it is possible for outsiders to be catalysts while local actors still take “ownership” of the process. LGRP has given ZELS technical support and encouragement. The collaboration has led to a number of ZELS-drafted proposals, and LGRP has encouraged mayors to hold town meetings to discuss problems with citizens. This effort should be expanded. Similarly, the OSCE sponsors Citizen Advisory Groups, meetings between citizens and police to discuss concerns and solve problems. The OSCE notes that local officials often see these groups as a threat and do not fully participate. Indeed, “a large number of issues are raised to police that are not directly related to law enforcement”, but rather to local government.\textsuperscript{117}

LGRP experts agree more could be done and are fostering Citizen Advisory Boards in five municipalities, meant to encourage citizen interaction with mayors and town councils. International experts could also usefully act more often as go-betweens with the central government to ensure that it responds to municipal concerns. Ideally, citizen-municipality-central government interaction would convert decentralisation from a top down to a bottom up process.

Accelerating decentralisation even modestly requires concerted leadership, especially from two key figures: EUSR Brouhns and U.S. Ambassador Butler. Experts say that the Americans are more fully committed to the concept and have been the main party advancing the process. However, they also report poor coordination among the numerous actors. At a UN conference a UNDP official claimed 23 separate actors are working on decentralisation, with little coordination. EUSR leadership has been noticeably absent in this sphere.

\textbf{B. The Law on Municipal Boundaries}

International assistance may well be needed also to manage the potentially divisive dispute over the Law on Municipal Boundaries. A mixed group of officials and experts is considering maps that would reportedly reduce the number of municipalities from 123 to between 60 and 67.\textsuperscript{118} A World Bank report, however, challenges the conventional wisdom that

\begin{itemize}
  \item \textsuperscript{111} ICG interview with ZELS President Goran Angelov and Executive Director Dusica Perisic, 14 July 2003. They say ZELS has had only one meeting with Ajdini.
  \item \textsuperscript{112} The estimate is local municipalities could increase collection of this revenue three-fold. In fact, three property-related taxes are assigned to municipalities: the recurrent tax on real and movable property; property transfer tax; and inheritance tax on real estate. The first is the most important.
  \item \textsuperscript{113} ICG interview with finance ministry state secretary, 15 May 2003. ICG interview with ZELS President Goran Angelov and Executive Director Dusica Perisic, 14 July 2003.
  \item \textsuperscript{114} ICG telephone interview with Veles Mayor Ace Kocevski, 14 July 2003.
  \item \textsuperscript{115} “Money for all municipalities and the City of Skopje”, \textit{Utrinski Vesnik}, 26 March 2003.
  \item \textsuperscript{116} “Conclusions” from a meeting of party signatories to the Ohrid agreement, in the presence of EU and U.S. officials and President Trajkovski, 26 December 2002. See especially paragraphs 3 and 6. The USAID-funded DAI-LGRP has been assisting development of the local finance law. As early as 2002, it offered a draft and is active now in discussions over how to proceed. The Council of Europe had been assisting with the law on municipal boundaries.
  \item \textsuperscript{117} OSCE Police Development Unit, “Citizen Advisory Groups”, Status Report, September 2002 to January 2003, pp. 5-6.
  \item \textsuperscript{118} According to Minister of Local Self-Government Gestakovski, ICG interview, 23 July 2003.
\end{itemize}
such an ambitious consolidation is necessary, arguing that there is no strict correlation between population and local government efficiency. Instead, as the size of municipalities shrinks, they often cooperate more intensively – for example, sharing schools. Aware of the potential Pandora’s box associated with gerrymandering, the Bank urged the debate over boundaries to be limited strictly to the technical issue of size – cases where municipalities are simply too small to sustain even modest services.

However, it is almost certain that the number of municipalities will be at least halved. The potential for a polarising controversy that could provoke more talk of ethnic separation and partition is clear. Preliminary government announcements provoked a strong reaction from the opposition. Even mayors from the ruling coalition have assailed the process. Some Macedonian officials worry aloud that “their” mostly urban municipalities will find themselves tethered to poor, rural Albanian towns with a low tax payments. Mayors of small municipalities, Albanian and Macedonian, are also up in arms about the prospect of consolidation. Experts and opposition officials alike have worried that the boundary decisions will be made in a “back room deal” between the governing parties and then presented as a fait accompli.

Minister Gestakovski downplays concerns and seems genuinely committed to avoiding an inter-ethnic blow-up; he is convinced that his multiethnic advisory team of mayors and academics can find common ground. With Council of Europe assistance, the ministry has developed five main criteria for municipalities: size (not smaller than 5,000 citizens and a centre no less than 2,000); economic resources; adequate municipal property; infrastructure; and natural and geographic conditions. Gestakovski has also cited a sixth not in the document: specific historical and cultural features – a way to preserve certain ethnically distinct municipalities.

As anticipated, these criteria have not prevented a tussle between DUI and SDSM in several areas. A senior DUI official has described a fundamental clash of interests:

We want to maximise the number of municipalities where Albanians make up 20 per cent of the population (and thereby make Albanian an official language) and we want to bring Albanians in connection with the urban centre; the Macedonians want the opposite – to preserve Macedonian urban control, keeping Albanians in rural areas and minimising the number of 20 per cent Albanian municipalities.

He also claimed Macedonians apply the criteria where it suits their ethnic interests – for instance, consolidating Macedonians in the west by joining the Vratnice and Jegunovce municipalities, while denying the same possibility to Albanians in the Dolneni municipality or elsewhere. Another report is that DUI wants to merge Skopje and Aracinovo to form a large Albanian municipality in Skopje and also to control the Kale municipality.

Minister Gestakovski dismisses this controversy, insisting that the issues are manageable. Skopje, he says, will not be a problem so long as the city council retains financial control. However, he concedes that there is an urban-rural split over Kicevo and Struga and a squabble over the ethnicity of the mayor. In other words, even by the most generous characterisation, the draft law opens existential questions about the nature of the country, including whether Macedonia will be a “civic state” or simply a zero-sum game over local control and access to resources between the two largest ethnic groups. Macedonians are increasingly worried that the consolidation of large Albanian municipalities will leave their minorities vulnerable, a charge that DUI officials resent.
VI. INTER-ETHNIC RELATIONS

Measuring stability is more complex than tabulating incidents or assessing the pace of Ohrid implementation. There is also the less tangible factor of the relationship between the two communities that make up almost nine tenths of the population. Opinions vary wildly. At one end, Crvenkovski and Ahmeti are models of decorum, restraint and general cooperation; at the other end, former Prime Minister Georgievski and DPA President Xhaferi maintain that Ohrid and the multiethnic state are doomed. Georgievski even proposed that Macedonians build a wall like the one going up between Israelis and Palestinians.126 Albanian writer and dialogue expert Kim Mehmeti believes that communication has broken down almost completely between the two leading communities since the conflict, while the Macedonian Muslim writer and dialogue expert Ferid Muhic believes relations have eased considerably.127 Some Macedonian journalists continue rabid denunciations of Albanians; the leading Albanian daily, Fakti, routinely spews out articles that incite hatred of Macedonians.

A. AFTER THE CONFLICT

It is little wonder that experts cannot agree; according to recent polling, citizens themselves possess highly varying, even self-contradictory views. The polls themselves do not agree, with IRI research generally more optimistic than the UNDP’s Early Warning Survey. In terms of attitudes toward Albanians, Macedonians in general show far greater tolerance and faith than Georgievski; only 12 per cent share his belief that the ideal situation is a country free of Albanians. And contrary to Xhaferi, most Albanians have similar views about the country’s priorities as do Macedonians, suggesting that joint political life is not so remote a possibility.128 Of particular note, according to experts, is the willingness of both groups to share the workplace, the most important arena for shaping social attitudes.129

Yet, it is equally clear that views about Ohrid remain sharply divided. Over half of Macedonians do not support the agreement, while Albanians do so overwhelmingly. More than three quarters of Macedonians confirmed that they would likely participate in or support demonstrations against its implementation.130 A high number of citizens in both groups cite certain provisions that, if implemented fully (for Macedonians) or insufficiently (for Albanians), could justify armed confrontation.131 Also troubling is the consistently high number of Albanians (over a third) who want either full independence or autonomy in Macedonia (nearly equal to those who believe Macedonians and Albanians should live together).132 This explains why Xhaferi and his deputy Menduh Thaci have shamelessly pandered to “ethnic Albania”. A June 2003 IRI poll showed that while DPA had poor numbers, Xhaferi’s were rising as Ahmeti’s were falling.133

And even the most optimistic survey shows that twice as many people still believe the country is heading in the wrong direction as in the right direction.134 An alarming two thirds of Albanians and Macedonians stated that they expect large scale violence over ethnic issues and Ohrid.135 In short,

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126 Georgievski stated that this was the Macedonian resort should Albanians reject partition (Dnevnik, 18 April 2003). His article coincided with a similar one by Xhaferi in Fakti.
127 Based on ICG conversations with Mehmeti and Muhic.
128 Xhaferi would do well to consider this analysis based on UNDP’s findings: “Thus, the similarities of the [two] communities in concerns and perceptions regarding public life … are so many that … it suggests that differences are larger among the various social and religious groups within each of the communities than between the two communities”. UNDP Survey, op. cit., p. 48.
ordinary citizens are not nearly as sanguine about their future as their leaders or the international community. Like the priest in Milco Mancevski’s Oscar-nominated Before the Rain, most people still see ominous storm clouds gathering when they look at the Macedonian sky.

B. THE DECEPTIVE SUCCESS OF REFUGEE RETURN

Like pollsters, aid officials sketch a mixed picture. Macedonia had one of the fastest multiethnic returns of refugees seen in the Balkans. However, UNHCR officials warn that the high return rate obscures the persistent polarisation of communities. While serious acts of violence are rare, according to UNHCR, Macedonians face a “subtle but constant pressure to leave” areas where they are a minority. Officials have produced a graphic, sagging “return curve” that reflects the failure of returnees to reintegrate either socially or economically. UNHCR and OSCE cite repeated acts of vandalism, harassment and outright abuse in some villages along the Tetovo-Jaznice (Kosovo border) road. In one widely reported case, confirmed by OSCE, the gas station of a determined Macedonian proprietor has been repeatedly damaged. In Opae in the Kumanovo area, 46 reconstructed houses have been looted, according to reports confirmed by UNHCR.

Albanians in general have been reluctant to identify perpetrators or speak about the problem in OSCE-sponsored Citizens Advisory Group meetings with police. Some officials describe an incipient, post-conflict sense of domination or entitlement on the part of many Albanians. “There won’t be any Macedonians living here in two years”, one Albanian in a village near Tetovo confidently told observers. Some Albanians candidly acknowledge a downturn in relations and a threat from criminals and extremists. A mayor said he would not surrender his own weapons in a UNDP-assisted government collection program nor would he expect Macedonians to do so.

Albanian mayors also acknowledge what aid officials have long suspected: property sales by minorities on both sides continue apace. Especially distressing is the confirmation from the Mayor of Zajas that the house-sale phenomenon is accelerating among both Macedonians and Albanians in the Kicevo area – far to the south of the 2001 fighting. This suggests that the feeling of vulnerability among minorities has spread beyond the former crisis areas. Citizens lament the creeping ethnic division of Skopje, symbolised by the reluctance of Macedonians to venture at night north of the Vardar to the old bazaar, formerly a lively multiethnic centre.

Young Albanians, seizing on the language rights in the Ohrid agreement, show greater reluctance to learn or speak Macedonian. Young Macedonians show a proclivity toward chauvinism as well. In solidarity with Macedonians engaged in a school dispute in Semsevo, youths massed in anti-Albanian demonstrations that led to ethnic beatings in Skopje.

C. SCHOOL DISPUTES

In early October 2002, Albanians in Semsevo, northeast of Tetovo, ignored procedures and unilaterally changed the school’s name from that of a Macedonian hero to that of a local Albanian hero, whose bust they installed at the entrance. Macedonian parents saw this as a hostile gesture and withdrew their children. In Kumanovo, as tensions were climbing toward conflict in spring 2001, an Albanian teacher was beaten, and Albanians took their children from the high school. A powerful bomb exploded near the entrance of the high school on 25 December 2002 killing a passer-by, wounding

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136 Macedonia has an over 95 per cent return rate – virtually a miracle compared with the situation in Kosovo, Bosnia-Herzegovina and Croatia. Of some 160,000 total displaced persons and refugees, only 6,300 are still not back in their homes - an equal number of Albanian and Macedonian displaced persons totalling 4,600, and about 1,700 mostly Albanian refugees. ICG interview with Goran Momirovski, UNHCR spokesman, 20 June 2003. About 1,600 are still stuck in collection centres and form the key, angry holdouts against return (especially to Aracinovo, near Skopje and Matejce, near Kumanovo). Also, hundreds of Roma refugees from Kosovo have mounted protests at the Greek border, demanding entry into Greece or other third countries.

137 Separate ICG meetings with OSCE officials, 20 June 2003.


139 The program has been twice delayed and is now not slated to begin until November 2003. Albanians state that a crucial factor for success is if NATO will agree to be involved in the weapons collection, even if only symbolically.

140 ICG interview with Mayor Rufat Huseini of Zajas, January 2003.
others and narrowly missing killing scores of Macedonian students.  

In both cases, painstaking OSCE mediation, even with participation of senior officials, has failed to produce an understanding.\textsuperscript{142} In Semsevo, a U.S.-EU offer to build a new gymnasium failed to solve differences, and Macedonians did not return to the school. In Kumanovo in May 2003, Macedonians blocked 180 Albanians, accompanied by police and international representatives, from attending a mixed school. In response, four days later, more than 1,000 Albanians blocked a main road into town. Further high-level mediation has led to a tentative understanding that one official calls “an agreement for more separation” rather than an actual solution.\textsuperscript{143} These two disputes, direct by-products of the 2001 conflict, are important test cases for post-Ohrid Macedonia. In a sign of how difficult this issue has become, Education Minister Azis Pollozhani has given up preaching mutual respect for national symbols and floated the idea that schools should be numbered rather than named.

More recently, bitter disputes over schooling have emerged in Skopje and the second-largest city, Bitola. On 11 September 2003, Macedonian parents pulled their children out of a high school in the capital to protest Pollozhani’s decision to transfer in seven classes of Albanian students. The next day, Macedonian students and parents launched a boycott of a Bitola high school in opposition to Pollozhani’s decision to have Albanian taught. The minister was accused of trying to “import” Albanians into primarily Macedonian Bitola.\textsuperscript{144} Chauvinistic messages that Albanians are not welcome in Bitola ensued amid rising tensions and rock-throwing incidents. In Skopje, only a police cordon prevented a direct confrontation between Albanian students trying to enter the school and Macedonians protesting against Pollozhani. The Skopje stand-off is centred in the highly-mixed area of Cair.\textsuperscript{145} Appalled at the reaction, Interior Minister Kostov expressed “shame” at the denial of the right of Albanians to study in their own language. However, the government has temporarily suspended Pollozhani’s decision, and he has been sharply criticised from several quarters for allegedly mismanaging the entire matter.

D. TENSIONS BETWEEN ETHNIC ALBANIANS AND TURKS

In another barometer of post-Ohrid ethnic relations, Turkish parents are increasingly at odds with Albanians over schooling in their language, ability to select school directors and perceived pressure to identify themselves and their children as Albanians.\textsuperscript{146} A report by an experienced international official said ethnic Turks are being pressed “to think that one day the Tetovo region will be a purely ethnic Albanian area, with ethnic Albanian culture and…political influence and therefore that it would be better to adopt the culture with the NLA in other parts of Macedonia. The riots inflicted serious property damage on Macedonian Muslims as much as the town’s Albanians.

\textsuperscript{143} The fate of Cair will be a particularly sensitive issue in the forthcoming municipal boundaries and Skopje laws. Many Macedonians believe that Albanians want to turn it into an “Albanian-controlled” town in Macedonia and suspect this as a motive for the timing of Minister Pollozhani’s decision, which could have been issued in July or August when it would not have triggered such a sharp reaction. As in the Kumanovo school dispute, competition over scarce resources seems also to drive the Cair controversy; its school is operating at maximum capacity, with at least one Macedonian class forced to another site.

\textsuperscript{144} In theory, Ohrid ensures the education rights of all citizens, not just Albanians. It provides for primary and secondary education in native languages for all minorities; and while Albanians, as a “20 per cent-plus” population are given the special privilege of university level education in their language, all minorities are to benefit from “positive discrimination” (affirmative action) to ensure that enrolment matches their composition in the population. Ohrid agreement, Part 6, “Education and Use of Languages”, especially paragraphs 6.1-6.3 and paragraph 4 of Article 48. This mandates that students also study the Macedonian language.

\textsuperscript{141} Albanian students have subsequently been crowded into a shift system in a primary school building where bizarre allegations have emerged of “poisoning”. Observers believe the allegations may be connected to poor ventilation in the kitchen, or simply mass hysteria. Nevertheless, the complaints were serious enough to be considered a possible motive for the December 2002 bomb.

\textsuperscript{142} Factionalism within each ethnic community has dogged the mediation. Albanians will close out the school year in the “Workers University” (like a junior college), with the aim of concluding a deal for shared use of the high school in 2004, followed by deals on the town’s other two secondary schools. Possibly a “multicultural school centre”, with international financing, might also be built to provide much needed capacity for both Albanians and Macedonians.

\textsuperscript{143} ICG interview with Deputy Minister of Interior Fatmir Dehari, 21 May 2003.

\textsuperscript{144} Bitola, known as Manastir in Albanian, has important symbolic value for Albanians for its role in producing the language. It was the site of riots in 2001, following incidents
and identity for their children”. 

It concluded that this pressure is leading to the forced assimilation of the Turkish community.

It is a revealing irony that Ohrid, which diminishes the pre-eminence of ethnic Macedonians and, in theory, should boost the standing of all citizens, is unpopular not only with Orthodox Serbs and Vlachs, but Muslim Turks as well. Muhic, the Macedonian Muslim and dialogue expert, believes that “all non-Albanian ethnic communities have a negative attitude toward the Ohrid Agreement” as favouring the Albanian community. 

For their part, Albanians are balking at sharing their gains with other minorities. After the recent appointment of a Turk, Zoran Sulejmanov, as a judge on the constitutional court, PDP Vice-President Abdyllahi Veseli complained bitterly that “Albanians did not fight to see their places go to others”. Prominent Albanians in the Debar area maintain that the local Macedonian Muslims are “really Albanians”.

With Albanians pitted even against co-religionist minorities, it is no wonder that Ohrid implementation with Macedonians seems mostly a zero-sum struggle of the two dominant groups. In turn, the gnawing suspicion that Macedonians and Albanians will inevitably return to conflict saps the commitment necessary to make the agreement work. With Georgievski and Xhaferi constantly asserting the incompatibility of the two largest communities, it is no wonder that support for Ohrid continues to flag.

147 Informal report entitled, “Educational issues for minorities other than ethnic Albanians”, provided to ICG.
149 Quote in “Parliament elects six out of nine constitutional judges”, Skopje Diem, 8 May 2003. See also “All the Turks will boycott classes”, Dnevnik, 1 April 2003.
150 ICG interviews in Debar, 13 January 2003.
151 Although diplomats avoid the politically incorrect subject, the disparity in Albanian and Macedonian birth rates is seen by Georgievski and others as inexorably bringing the two communities into more conflict. Referring to the census controversy, the deputy director of the bureau of statistics, Milaim Ademi, indirectly affirmed Macedonian fears. He told the Albanian daily Shekulli that Albanians cannot be less than the 22.7 percent figure of the 1994 census since 38 per cent of the newborn babies in the country in 2002 were Albanian. “The arguments of Ademi are that the increase of the Albanian population is much higher than the other ethnic nationalities,” in “Demography: 38 percent of newborn are Albanians”, Skopje Diem, 26 August 2003.

E. FACING THE LEGACY OF 2001

While security and the economy are the most important factors for consolidating stability, three other issues should also be tackled: accounting for the small number of missing persons from the conflict; disposing of war crimes issues and restoring destroyed religious objects.

The brevity of the 2001 conflict spared Macedonia from the massive numbers of victims seen in other conflicts. While 4,000 persons are missing from Kosovo and 30,000 from Bosnia, only twenty are missing in Macedonia (thirteen Macedonians, six Albanians and one Bulgarian national). Still, these cases are a reminder of unfinished business and have political overtones. Ahmeti’s uncle, DUI parliamentarian Fazli Veljiu, has charged that former Interior Minister Boskovski knows the fate of his missing brother, Ruzdi Veljiu. On the other side, an EU-backed Swedish inquiry released in 2002 stated that former NLA Commander and DPA official Daut Rexhepi (“Commander Leka”) has information about the fate of a Macedonian missing from Tetovo. Macedonian families are equally frustrated that this and other contacts have not been followed up.

The limited number and the circumstances surrounding the cases (several Albanians have disappeared near known police checkpoints or stations) suggest that, unlike in Bosnia or Kosovo, discovering what happened is feasible. Following the release of the Swedish inquiry, the International Commission on Missing Persons (ICMP) proposed a national process – a mixed government-parliament commission – focusing on whereabouts. This still has not been formed, and the families of victims remain mistrustful and disappointed. Suspicious of even international efforts, the Macedonian families have resisted giving DNA samples that

152 “One thing is certain and that is that former Interior Minister Ljube Boskovski knows the whole truth about my brother’s fate”, see “Body of Veljiu’s brother found”, Dnevnik, 19 July 2003.
153 One international source says that Parliament Speaker Nikola Popovski is the main obstacle to forming the joint government-parliament commission. At an 18 July 2003 conference, ICMP officials called for a law on witness protection. One victim family member stated, “We expected much more from the conference. The key issues about the way [the victims] were kidnapped, the place they were taken and whether they are still alive were not opened”. “Families of kidnapped want answers from Ahmeti and Boskovski”, cited in Skopje Diem, 21 July 2003.
would confirm whether four bodies in western Macedonia are those of their relatives.154

Albanians charge that, in spite of the amnesty, former NLA members are still subject to harassment and arrest, particularly at the border where a few high-profile figures have been detained.155 Interior Minister Kostov insists the practice has ceased, and OSCE’s rule of law department says such arrests have dropped to less than one a month.156 More troublingly, according to OSCE, is between 30 and 100 war crimes warrants are outstanding. This means that dozens of Albanians, including prominent figures, are still, theoretically, subject to arrest and prosecution. Courts have shown strong resistance to government efforts to get them to drop the cases.

The absence of a clear mechanism to decide who should stand trial for war crimes injects uncertainty among Albanians about the amnesty and bitterness among Macedonians. NATO allegedly assured the NLA leadership during the Ohrid negotiations that only The Hague Tribunal (ICTY) would try war-crimes suspects. Albanians insist that this prohibits trials in local courts, while Macedonians, backed by human rights experts, have argued that if the ICTY does not act, domestic courts have the right to do so.

In part to spare the country a divisive controversy, ICTY Prosecutor Carla Del Ponte asserted jurisdiction over five well-known war-crimes cases “and all future ones”. However, in October 2002 the tribunal rejected her claim to additional cases, limiting jurisdiction to the five cases.157 That decision puts all other potential war crimes cases from the 2001 crisis in limbo. If a Macedonian prosecutor or court asserts jurisdiction, controversy is certain. Already Albanian defendants have been hauled before Macedonian courts. One, Krenar Osmani, was convicted but, following angry protests, eventually released.158

The logical solution is for the ICTY to screen cases and give Macedonian courts a green light to try those it considers less serious. The justice ministry has drafted a law on cooperation with the Tribunal that includes a provision for procedural and legal review in The Hague. Desiring to wind down its operations, the Tribunal has largely shrunk from assuming this burden. Unless it changes its approach and accepts some responsibility for vetting cases, Macedonia could eventually face another heated controversy like the Osmani case.

There are other, less arduous ways than war-crimes trials to close the door on the past. A half-dozen religious objects lie destroyed, the results of mob violence, direct military targeting or sabotage. UNHCR believes that rebuilding them would help arrest the slide in inter-ethnic relations. The European Agency for Reconstruction has made a good start by beginning reconstruction on 8 July 2003 of the Church of St. Atanasij in the Tetovo village of Lesok.159 But there has been virtually no repair in other locations, for example, Bitola and Prilep.160

Yugoslav Republic of Macedonia", 4 October 2002, accessible at http://www.un.org/icty/Supplement/supp37-e/misc.htm. ICG understands from ICTY sources that the cases have been consolidated into two: the Ljuboten case and the so-called NLA leadership case. Ljuboten was the site of the alleged execution of six Albanians, one death by beating and three deaths by shelling on or about 10 August 2001. The “NLA leadership case” comprises the 28 April 2001 alleged atrocities against Macedonian security forces, as well as other cases including the alleged torture of five road workers near the village of Grupcin on 7 August 2001.158 The recent release from prison of Krenar Osmani has also diminished some of the anger about the amnesty situation. Officials state that although prosecutors and courts had dubious grounds to apply the “war-crimes exception” to him, there was ample evidence to convict him of a crime – against fellow Albanians, not Macedonians.159

The church was blown up in suspicious circumstances following the signature of the Ohrid agreement in August 2001. Its reconstruction will cost approximately €400,000.160 Two NLA ambushes (in Vejce on 28 April 2001 and in Karpalak on 8 August 2001) triggered mob violence in the hometowns of the victims, Bitola and Prilep. In Bitola, shops
F. THE ROLE OF THE TWO LEADERS

The single greatest contribution to media in Macedonia has not come from donors, but from two main political leaders, Prime Minister Crvenkovski and DUI leader Ahmeti. Where their predecessors Georgievski, Xhaferi and Thaci, would come to terms privately and then issue bigoted public appeals, Crvenkoski and Ahmeti are models of transparency and decorum. However over-stated and self-congratulatory their line on “progress”, they have supplied the media with a consistent, remarkably moderate tone. In some ways, Macedonia is blessed with an ideal post-conflict political situation: the leaders of the two main ethnic parties are both strong supporters of the peace agreement, have rejected partition at every turn and now face only weak opposition. Both have steadfastly refused to engage in cheap appeals to nationalism.

Diplomats have warmed considerably to Crvenkovski, who has done an about-face from his radical anti-NATO stance during the Kosovo campaign of 1999. Even when it was unpopular, Crvenkovski was a strong supporter of the Ohrid agreement. In Brussels recently for meetings with EU and NATO officials, Crvenkovski insisted that the government would implement Ohrid “even without the support of the opposition” if necessary. Further demonstrating his desire for reconciliation, he conceded in a major speech at the 8 February SDSM party congress that legitimate Albanian grievances were behind the conflict in 2001. For a man known in his first government

and homes belonging to both Albanians and Macedonian Muslims were destroyed; in Prilep, a mob destroyed the historic Turkish mosque. The NLA ambush at Karpalak left ten army reservists dead, the most costly single attack of the conflict. It came at a crucial point in the Ohrid negotiations just before the parties agreed on the deal at Ohrid that halted the conflict.

Statement by Crvenkovski during visit to Brussels, 8 May 2003.

In his major address at the 8 February SDSM party congress, Crvenkovski confronted the question of making concessions to Albanians who had launched an insurrection: “This Congress is an opportunity to see that the only choice we had as a nation and state in 2001 was full ethnic war with tragic consequences or a multiethnic compromise and redefinition of the Constitution of the Republic of Macedonia. Although there are 100 arguments to defend the 1991 Constitution, it is a fact that Albanians have never accepted it”. His remarks brought sharp criticism from the former Parliament President Stojan Andov, who said that, “The thesis that the Constitution was a reason for conflict in Macedonia is as a reactionary hardliner allergic to Albanian nationalism, the public admission is noteworthy.” With the speech, Crvenkovski went as far as any Macedonian politician has in acknowledging that Macedonians themselves bear some responsibility for the conflict. His party is rapidly moving toward legalising Tetovo University, another relic from his own hard line past.

Although many mutter about the ex-communist SDSM leader’s supposed links to Belgrade, Crvenkovski has taken a surprisingly moderate stand on Kosovo independence, still a touchy subject for most Macedonians, saying “I refuse to believe that the future of Macedonia depends on the future status of Kosovo….It is more important for the whole region that Kosovo be a ‘normal’ territory than it be…part of a [Serbian] Federation.”

Ahmeti has also gone to the countryside to soothe angry villagers after controversial police operations, subjecting him to the very dangerous”. “Andov: Crvenkovski promotes a dangerous thesis about the Constitution”, Vest, 18 February 2003.

During his first term as prime minister, Crvenkovski publicly congratulated police who fired on demonstrators in Gostivar in 1996, killing three including an elderly Albanian; a demonstrator at Tetovo University in 1997 was also killed by police.

President Boris Trajkovski also expressed a moderate interpretation of the conflict in a speech to parliament presenting the Ohrid constitutional amendments in August 2001. Trajkovski alluded to responsibility for the conflict being spread among many – not just the NLA.

“The danger of the criminal-political underground can’t be underestimated: Interview with Branko Crvenkovski”, Utrinski Vesnik, 18 March 2003. Crvenkovski subsequently told ICG that “it would actually be better for Macedonia that Kosovo be independent and have rule of law, than be lawless and remain part of a Serbian Federation”. Crvenkovski was answering the question, “will the situation in Kosovo and the future status of Kosovo be independent and have rule of law, than be lawless and remain part of a Serbian Federation?”

Ahmeti’s generally supportive role toward the police has made him vulnerable to intense criticism from rivals like Xhezahir Shaqiri, who told ICG that villagers are stockpiling weapons, saying, “we won’t wait for Ahmeti and the police to attack us”. ICG interview, 16 June 2003.
charge that that he is “Branko’s pawn”. Even in private meetings, he has refrained from blaming the slow pace of Ohrid implementation on his party’s coalition partner. Publicly, Ahmeti again recently proclaimed that, “political will and good cooperation between the coalition partners exist”.167

While the interaction between Crvenkovski and Ahmeti has rough spots that could become troublesome over time, party sources present at a number of their meetings say the two have developed an unusual rapport. Their seconds generally take tough positions, but at the end of the meeting, sometimes imperceptibly, the two party leaders generally reach an understanding. On 25 July 2003, in a rare, joint field trip that received favourable coverage, they went to Debar (an Albanian majority town near the border with Albania) to visit a foreign-owned factory and meet with local officials.

1. Crvenkovski’s Zero-Sum Approach

Beneath the surface, however, DUI leaders say there are trends that could, if not addressed, disrupt the apparent harmony. Most prominent is the charge from DUI officials that Crvenkovski is deliberately making Ahmeti look weak, so as to ensure that SDSM will wholly dominate its Albanian partner. On the deal to create a second passport cover in Albanian, Crvenkovski wrung a number of concessions from Ahmeti, mostly pointless humiliations. In what has become the visual representation of their relationship, Crvenkovski’s advisers engineered an initial photo-op of the two that left Ahmeti looking small and distant from his host.

The irony of Crvenkovski’s approach towards his dealings with Ahmeti and on Ohrid implementation is that few other Balkan leaders enjoy as dominant a position. Two thirds of the electorate expresses confidence in him, a solid ten points higher than any rival.168 According to an April 2003 IRI survey, support for his SDSM more than doubled that of the rival VMRO-DPMNE.169 Not only has his long-time and only serious rival (Georgievski) departed the public scene, but the country’s president is in deep political trouble. Boris Trajkovski has seen low ratings go lower yet following ill-fated negotiations with the U.S. over Macedonian troops for Iraq and a wire tapping scandal.170 Crvenkovski does face occasional annoyance from his party’s hardline faction, led by Speaker of Parliament Nikola Popovski and hard line parliamentarian Tito Petkovski, but he deals with it handily.

Macedonians are increasingly getting in front of Crvenkovski in recognising the need to accommodate Ahmeti and avoid leaving him vulnerable to the irresponsible opposition and extremists.171 It would have been heresy a year ago,

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168 Even a somewhat respectable 17.5 per cent of Albanians say they have confidence in Crvenkovski, while half express no confidence at all in him. By contrast, 91 per cent of Macedonians express no confidence in Ahmeti and a bare 2.8 per cent some confidence. UNDP Survey, op. cit., pp. 58-59. The more recent IRI survey also shows Crvenkovski with a comfortable lead over rivals.
169 Among voters of all ethnicities, SDSM takes nearly a quarter of the poll at 23 per cent while VMRO-DPMNE gets 10 per cent. Almost three times as many respondents said that SDSM best represents their views as VMRO-DPMNE. In a January 2003 poll, SDSM had 32.5 per cent support, compared to 5.2 per cent for VMRO-DPMNE. Telephone poll of the Institute for Democracy, Solidarity and Civil Society, January 2003. Former VMRO-DPMNE Vice President and Agricultural Minister Marjan Gjorcev candidly admitted his party’s dismal situation: “At this moment I can say that…the situation in our party is not on a level that would enable normal party work. Turbulent events happened that destabilised the party, and they probably will influence its future activities”. “Interview with Marjan Gjorcev, VMRO-DPMNE VP”, Utrinski Vesnik, 13 January 2003.
170 Trajkovski was viewed most favourably by only 1 per cent, according to the IRI survey. By contrast, Crvenkovski was supported by 12 per cent, topped only by Kiro Gligorov, the venerable first president who is no longer active in politics. Trajkovski, according to presidential sources, was repeatedly approached by the U.S. Embassy on the deeply unpopular issue of sending troops to Iraq during the war, but tried to cut a deal for U.S. engagement in the dispute with Greece over the country’s name. The talks over the name collapsed, and he was sharply criticised. Macedonia did send two liaison officers to U.S. Central Command in Florida. In late April 2003, parliament voted overwhelmingly to send troops to Kuwait as part of the post-war coalition. Trajkovski’s controversial 7 April pardon of a close political associate, former Intelligence Agency Director and former Minister of Interior Dosta Dimovska, for her role in an alleged wiretapping affair has left him more vulnerable and isolated than ever. The wiretapping affair was made public by then opposition leader Branko Crvenkovski in early 2001. Allegedly, Crvenkovski, journalists and diplomats, including those at the U.S. Embassy, were the objects of the wiretap.171 See “DUI cannot only be a decoration in the government”, Utrinski Vesnik, 18-19 January 2003. Some observers attribute the prime minister’s caution to possible presidential ambitions in 2004.
but editors of two magazines and a newspaper warned the government “to finish the obligations of the Framework Agreement [Ohrid] so as not to leave space for [extreme Albanian] military options”.

2. Ahmeti’s Soft Style

The radical stands of DPA are a reminder that Ahmeti faces much more severe internal criticism than Crvenkovski. A man of almost Gandhian restraint, however, he stoically accepts the criticism heaped on him by DPA and its vitriolic newspaper, Fakti. “We are not here to make a show but to achieve results” is one of his standard lines. He forbids his lieutenants to make promises or announce initiatives until they are a “done deal”. Ahmeti has a fondness for trying to win over detractors, rather than simply confronting or discarding them. After the coordinated verbal attack of Xhaferi and Thaci on Ohrid in April 2003, Ahmeti once again chose conciliation (a fruitless personal discussion). He has shown a similar softness in dealing with the troublesome Fadil Sulejmani, the former rector of Tetovo University, and renegade ex-NLA commanders like Sulejmani’s associate, Isahir Samiu (Commander Baci) of Sensevo.

Unlike most Balkan politicians, Ahmeti is not reluctant to mix with ordinary people, spending hours, for example, in Vejce listening to grievances in an effort to calm tensions. Yet, as a manager, he leaves something to be desired. His appointees in DUI must bear much of the responsibility for the slow pace of Ohrid implementation. Many (with the exception of Education Minister Pollozhani and Airport Director Fatmir Besimi) have performed poorly, if at all. As discussed above, Miljaim Ajdini shows little interest in advancing the transfer to municipalities of even the power to issue building permits; Justice Minister Ismail Dardishta is widely derided as ineffective and has admitted that he illegally obtains electricity for his home. The earnest deputy prime minister, Musa Xhaferi, is swamped with his crucial portfolios. Two of the most capable DUI officers – Agron Buxhaku and Teuta Arifi – are in parliament, not government, where their talents could be put to best use. Parliament insiders say the rest of the DUI parliamentary group are “useless”.

Crvenkovski and Ahmeti share blame for the generally poor communication between their ministers and deputies of the other ethnicity. International officials say that some DUI deputies are reluctant to seek out their ministers. In other situations, such as the ministry of economy, it is the Macedonian minister who is most at fault.

Experts in party development say DUI has only a paper structure. It remains mostly of and about Ahmeti, run by him and a small coterie. A strong fissure runs between ex-NLA commanders and intellectuals and politicians who have assumed many key positions. Ahmeti has difficulty controlling the regional and factional splits. Thanks to intensive help from the U.S.-based National Democratic Institute (NDI), however, he has made himself more available to media, particularly television, and his party is now developing a badly-needed field structure.

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172 “The Phenomenon Xhaferi”, Aktuel, 28 February, p. 17. See also “Forza in the implementation of the Framework Agreement”, Zum magazine, 28 February, p. 12 and, “DUI cannot only be a decoration in the government”, Utrinski Vesnik, 18-19 January 2003. All three articles stress that slow Ohrid implementation opens space for political losers, criminals and extremists to destabilise the country. The country’s leading daily, Dnevnik, maintains a hard-line approach that emphasises the negative impact of Ohrid and the difficult situation of Macedonians. DUI’s vice-president, Agron Buxhaku, cites the “patriotic” interpretation of some opinion makers for perpetuating the impression that “Albanians are getting too many rights”. “The train for Europe must not leave without us”, Agron Buxhaku, Utrinski Vesnik, 7 March 2003.

173 The well-known former Gostivar mayor, Rufi Osmani, excoriated DUI in a recent Zeri interview for passive allowance of Macedonians to consistently block appointments and hiring, even at low levels; failure to have a transparent party process for appointments; lack of a clear political program; weak involvement in preparation of the 2003 budget which does not earmark sufficient funds for Ohrid implementation; and acceptance of humiliating compromises on symbolic issues. Kosovo magazine Zeri, week of 28 April 2003.

174 Ahmeti’s failure to back Ramiz Abdylqi when he was the interim rector of Tetovo University, and the current administration of that institution against Sulejmani and “Commander Baci”, has been a costly mistake. The Sulejmani-“Baci” duo has been sharply criticised by international officials for inspiring an aggressive student takeover of a building in Tetovo. International officials have apparently – and belatedly - realised that there will be no progress on Tetovo University as long as Sulejmani retains his influence. See comments of OSCE in “Jeopardizing the legalisation of Tetovo University”, cited in Skopje Diem, 14 October 2003.
G THE THREAT FROM XHAFERI AND THACI

On 18 and 19 April 2003, the leaders of the two largest opposition parties, Arben Xhaferi and Menduh Thaci of the Democratic Party of Albanians (DPA) and ex-Prime Minister Georgievski of the Macedonian party VMRO-DPMNE launched a direct assault on the Ohrid agreement. The three declared it “dead” and advocated partitioning the country.175 DPA also announced a boycott of parliament.176

Clearly, these histrionics were calculated to salvage some pride for the political “losers”, each of whom has been eclipsed by his rival, did poorly at the 2002 election, has been tainted by corruption allegations and has announced his resignation from party posts (though only Georgievski has formally departed).177 The vehemence of the rhetoric and its direct challenge to an internationally brokered peace agreement are almost unprecedented in the region. Nevertheless, international reaction was tepid. While Macedonian leaders issued a scathing rebuke, a joint statement of the EU, U.S., NATO and OSCE merely again saluted progress and added a cryptic caution about “alternative scenarios complicating the way to Brussels”.178

175 Arben Xhaferi has since tried, unconvincingly, to avoid personal association with the declaration that “Ohrid is dead”. His article in Fakti contains many of the same sentiments, including the clear expression that multiethnic states cannot work. Moreover, this is the second time in 2003 that DPA and VMRO-DPMNE have pulled out of the Ohrid implementation process.

DPA also called for Macedonia to become a “protectorate”. While Xhaferi later claimed that he never said Ohrid was “dead”, DPA’s fervour was such that it instructed its parliamentarians to miss the vote on sending Macedonian troops to post-conflict Iraq. This elicited comment from the U.S. ambassador, since Albanians rarely miss an opportunity to show support for their perceived American benefactors.

176 It is not clear whether Georgievski, Xhaferi and Thaci will in fact remove themselves from the political scene. With suspicion widespread that DPA has links to ANA and dangerous organised criminals, the mild international reaction is the more surprising.

The NATO special envoy made tougher remarks. In contrast to most diplomats, SDSM and LDP issued scathing rebukes of the joint challenge to the Ohrid Agreement. Prime Minister Crvenkovski stated that the concept for changing borders and exchanging populations was a “direct call for ethnic war and division of the country”. See “Changing of borders is direct call for ethnic war”, MIA, 21 April 2003. Georgievski and Xhaferi spurned an apparent attempt from the U.S. ambassador to reach out to them. A month prior to their initiative, he had called Georgievski “my good friend”. OSCE’s Head of Mission also made ingratiating remarks in the wake of the attack on Ohrid. See “Interview with U.S. Ambassador Lawrence Butler”, Aktuel, 7 March 2003.

178 “Xhaferi: here is why Macedonia should be partitioned”, Fakti, cited in Skopje Diem, 26 May 2003. Xhaferi has on
threat: “we remind all those who promised that [Ohrd will be implemented] by February 2004, that if this is not fulfilled, DPA will start activities toward the ‘ultimate solution’ of the Albanian issue” [i.e. division and ‘Greater Albania.”].

The sanctions available against such extremist statements are few but can be effective. The U.S. should formally warn DPA President Xhaferi, DPA Deputy President Thaci and PDP leader Bexheti and others that continued public support for ethnic division, opposition to the Ohrd agreement and private association with criminals and extremists will result in swift inclusion on its watch list. European political groups should exclude politicians and parties associated with extremist rhetoric from their alliances in the Parliamentary Assembly of the Council of Europe, where DPA and VMRO delegates currently sit with the centre-right European Democrats group, and elsewhere.

H. NIKOLA GRUEVSKI AND THE “NEW” VMRO-DPMNE

Unlike DPA, which has moved ever farther to the radical end of the spectrum, Georgievski’s successor, Nikola Gruevski, has wisely taken swift steps to bring his party back to the centre. The very day (25 May 2003) he was elected as party president, he focused on the issue foremost on most voters’ minds – the economy – and backed off Georgievski’s confrontational approach to the international community. Calling for expedited integration with the EU and NATO, he also distanced himself from Georgievski’s proposal for ethnic division and an exchange of territories.

However, a VMRO-DPMNE insider cautions that on issues from Kosovo independence to Ohrd implementation, Georgievski’s voice will continue to be heard through Gruevski, albeit inside the party’s councils. Although Gruevski and his associates, including new General Secretary Dan Donev, insist they are independent of Georgievski, this party member states that the former prime minister’s continuing influence is assured since he controls party finances.

more than one occasion conveyed the same view to ICG, as well as a caustic assessment of “the Slavs”. His approach to history appears to stop nearly a century ago with the collapse of the Ottoman Empire and to ignore intervening developments.


184 The watch list resulted from Executive Order 13219 of 27 June 2001 by which President Bush directed the Treasury Department to block the property of persons “who threaten international stabilisation efforts in the Western Balkans”. On 29 May 2003, the Executive Order was revised and a number of former NLA leaders were dropped from the list, including senior DUI officials like Ahmeti “who has since renounced terrorism and joined in the government coalition”, “Key Points: The New Executive Order Concerning the Balkans”, U.S. Consulate Podgorica press release, 30 May 2003.
VII. CONCLUSION

Twentieth-century engagement in the Balkans by the European powers began with the efforts to stabilise the security situation in the Ottoman province of Macedonia by reforming its police that culminated in the 1903 Mürzsteg agreement between Austria and Russia. The most important element of the first Balkan crisis of the 21st century, the Macedonian conflict of 2001, once again is the policing and security issue. But the context is utterly different; rather than the European great powers seeking ways of controlling the region and exploiting its natural resources, the international community now wants to develop the indigenous capacities of the Macedonian state so that it can become an equal partner in European integration. The Mürzsteg agreement was signed between two foreign ministers who had never visited the region, in breaks between hunting at a Habsburg lodge, and implementation left to impotent Ottoman officials; the Ohrid agreement was signed by local actors, with intensive engagement on the ground by senior EU and U.S. officials, and though perhaps more could have been done, the international community has been at least consistently present and engaged in the implementation process.

While the medium to long term perspective is quite different from 1903, the short term problem of potential crisis remains. In the absence of a more concerted effort to implement and truly embrace Ohrid, to establish law and order, fight corruption and stimulate the economy, the present calm could soon unravel. Macedonia’s leaders and the international community should face the fact that the country still requires security assistance. The EU’s successful “Concordia” military mission should stay until Macedonia’s police are able to conduct effective operations and the government able to manage any political fallout from such operations. The EU should also deploy a police assistance mission designed to address key deficiencies like poor intelligence sharing, communication and coordination.

There is no realistic alternative to Ohrid. Partition is certainly undesirable. There is no consensus over where new boundaries would be drawn, and such a process would almost surely trigger a new round of conflict. Any division of Macedonia with the Albanians would open conflict among Macedonians and their neighbours as to which orientation – east toward Bulgaria or north-south to Serbia and Greece – Skopje would adopt. The best possible investment in the stability of the country and the region the international community can make remains to support the Macedonian state inside its current borders so that it can be an equal partner with its neighbours.

Skopje/Brussels, 23 October 2003
APPENDIX A

CHRONOLOGY OF RECENT MAJOR SECURITY INCIDENTS

25 December 2002. A powerful bomb explodes in front of a mostly Macedonian Kumanovo high school, killing a bystander. A fortuitous delay in releasing students from the school spares numerous others.

22-23 January 2003. Armed paramilitary “Lions” block the main border crossing into Kosovo. Interior Minister Kostov dispatches a rival special police unit, the “Tigers”, and a standoff is defused only after high-level meetings between Lions representatives, the president, prime minister and interior minister. Over Kostov’s objections, a deal allows some 600 Lions to be retained in the interior and defence ministries, despite chequered backgrounds, that undercuts government ability to meet Ohrid targets for Albanian employment in government.

24 January 2003. Three foreign prostitutes are killed, one wounded and an Albanian man is slain during a shooting at a brothel-café in Dobri Dol, underscoring the gangland violence associated with trafficking in women. Judicial officials are embarrassed when the primary suspects are immediately released.185

8 February 2003. Notorious criminal Dilaver Bojku is captured in a multiethnic police sweep, in which Deputy Interior Minister and former NLA commander Fatmir Dehari play a crucial role.

14 February 2003. A powerful bomb rocks the courthouse in Struga, near where Bojku is being held.186 Curiously, no arrest warrant is issued for the reputed mastermind. Bojku is sentenced to only six months after a circus-like trial marked by intimidation of key witnesses and the expulsion of OSCE monitors.

4 March 2003. Two Polish members of NATO “Allied Harmony” security force and two civilians are killed by a new mine in the village of Sopot, apparently aimed at Macedonian army patrols that frequent the road.

17 March 2003. A bomb explodes on the railway between the Albanian villages of Tabanovce and Vaksince near the Serbian border just after a train had passed. A suspect reportedly admits purchasing the explosive in Albania.

26 March 2003. Albanian and Macedonian troops conduct joint exercises as part of Neighbours’ Effort 2003 at the Krivolak training range in Macedonia under NATO’s Partnership for Peace, but receive little press attention.

31 March 2003. EUFOR’s “Operation Concordia” takes over from NATO, a six-month effort that is the EU’s maiden military effort. French-led, it steadily overcomes Albanian apprehension over NATO’s departure.

18-19 April 2003. Georgievski and Xhaferi, leaders of the key opposition parties, effectively withdraw their support for the Ohrid agreement and openly call for Macedonia’s partition. Xhaferi’s DPA declares a “moratorium” on political activity, and a leading international security official notes that this thinly veiled appeal to violence is followed by an upsurge in extremist activities.187

5 May 2003 Foreign ministers of Albania, Croatia and Macedonia, joined by U.S. Secretary of State Powell, sign the “Adriatic Charter”. Foreign Minister Ilinka Mitreva calls U.S. signature “a guarantee” for Balkan security.

10 May 2003. Albanian villagers near Vejce and Selce (Tetovo area), some goaded by a renegade former NLA commander, block a delegation of Macedonians, led by Interior Minister Kostov and accompanied by U.S. Ambassador Butler, from proceeding to commemorate a 2002 ambush of

185 Interior Minister Hari Kostov immediately brought the issue of the suspects release before the Republic Judiciary Council, the state oversight body for the judiciary.

186 The “Albanian National Army” took responsibility for the blast, but there were inconsistencies in its “Communique 21”, for example, the use of the term “early morning hours” instead of simply specifying the time of the blast and as well, the mistaken reference to the Court of Struga as the site “where most Albanians were sentenced”. See “Skenderbeg Division takes over responsibility for bomb blast in Struga”, MIA, 17 February 2003.

187 ICG interview with leading, senior international security official.
Macedonian security forces. Villagers disappointed with the lack of Ohrid progress reject senior DUI appeals to end the blockade, which infuriates Macedonians. Reportedly tanks were fired up in nearby barracks and a helicopter flew over, raising tensions.

16 May 2003. Following mediation, the above delegation visits Vejce. Disturbances erupt in nearby Tetovo with grenades lobbed into an army barracks and a police patrol attacked. Young Albanians and Macedonians clash in the centre of Tetovo and two Albanians suffer gunshot wounds.

Mid-May 2003. The interior ministry confirms ten kidnappings in March-April, a reminder of unresolved organised crime problems; a journalist alleges a link to the notorious “Zemun clan” in Belgrade.

15 May 2003. 180 Albanian students, accompanied by police and international representatives, are turned away from a Kumanovo high school.

19 May 2003. Upset by the high school incident, more than 1,000 Albanians block a main road into Kumanovo, reflecting a bitter inter-ethnic feud dating back to 2001 that has defied OSCE mediation. A deal is reached but Deputy Interior Minister Fatmir Dehari concedes it is only a stopgap.

19 May 2003. A reconstructed house belonging to Macedonians in Albanian-dominated Opae is seriously damaged, the 46th to suffer such an attack. UNHCR confirms Macedonian press reports of substantial damage and looting of other houses. The event hardens attitudes of anti-return Serb and Macedonian displaced leaders.

22 May 2003. A Macedonian court releases VMRO-DPMNE General-Secretary Vojo Mihajlovski on bail. The highest profile suspect in a string of corruption arrests targeting the former government, he had been held over four months. Twenty-three defendants have been indicted but the only conviction was overturned. Mihajlovski’s case raises questions about the will of the courts and government to tackle corruption. The failure to go after government cronies begins to lend credence to opposition criticism of selective law enforcement.

22 May 2003. Following a meeting with Albania’s premier, Fatos Nano, Ahmeti gives a green light to Macedonian security forces to deal with Albanian extremists.


29 May 2003. Ahmeti and others are removed from the U.S. black list of persons attempting to destabilise the Balkans, after eight months of shared power. Notable additions to the list include: Daut Rexhepi (Commander Leka), linked to missing persons cases; the “Albanian National Army” and four other radical Albanian organisations; and the first ethnic Macedonian to appear, former Interior Minister Ljube Boskovski.

3 June 2003. A botched police operation in Rakovec leaves one Albanian woman dead.

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188 On 28 April 2001, NLA forces ambushed Macedonian security units. Eight Macedonians were killed; five of them shot in the head at close range. Three of the corpses were badly mutilated, etching a grisly image deep in the Macedonian collective memory. See “War crimes and the Hague” chapter by Ana Petrusева and Shpend Devaja in the IWPR book, “Ohrid and Beyond”, 2002, p. 98.

189 See “Kidnappings unnerve Albanian leaders”, IWPR, BCR Number 429, 12 May 2003.

190 Interview with Deputy Minister of Interior Fatmir Dehari, 21 May 2003.

191 “Opae: 46 reconstructed houses of ethnic Macedonians robbed and destroyed”, Vest, 26 May 2003.

192 Mihajlovski had to put up almost Euro 800,000 worth of property to make bail.

193 “A Selective Pursuit of the Rule of Law: the SDSM/DUI Government in Macedonia”, Summer 2003, 3rd Edition, VMRO-DPMNE. ICG and the Open Society Institute have both written Prime Minister Crvenkovski on one of the allegations cited by VMRO-DPMNE: the “Tat” pyramid banking collapse. ICG and OSI have urged Crvenkovski to appoint an independent commission to investigate the still unsolved scandal that devastated Macedonia’s second-largest city, Bitola.

194 The Macedonian ombudsman corroborated some of the allegations, but international monitors tell ICG that villagers failed to provide them with the same complaints, raising questions whether the alleged abuses actually occurred. Telephone conversation with senior international monitor, 24 June 2003.
5 June 2003. A powerful bomb explodes in the centre of Kumanovo; no injuries.

6 June 2003. In Tetovo, an Albanian villager is slain by fleeing armed robbers who mistake him for a policeman.

12 June 2003. In long-troubled Aracinovo near Skopje, Macedonian police slay a well-known alleged Albanian criminal. Tensions soar as his relatives, associates and a renegade former NLA commander menace the police and television journalists are beaten. While some international officials say Aracinovo is safe for refugee returns, a respected, senior Albanian maintains it is unsafe for both Macedonian and Albanian common citizens.

17 June 2003. A Macedonian soldier is killed, another seriously wounded by a remotely detonated anti-tank mine near Vaksince.¹⁹⁵

20 June 2003. Notorious Dilaver Bojku escapes from Struga prison. Montenegrin police subsequently apprehend him on 4 July and return him to Macedonia. The prison director is sacked as a result of the incident, and the incident fuels speculation Bojku has compromising material on senior officials.¹⁹⁶

22 June 2003. Two bombs explode on a Sunday in Skopje near the Macedonian Telekom building and “Mavrovka” shopping centre. No injuries but Interior Minister Kostov speculates they are the work of “a terrorist group, possibly related to the events [with Albanians] in Kumanovo”.¹⁹⁷ Senior Macedonian and other international sources suggest – without conclusive proof – that the culprits may well have been Macedonian.¹⁹⁸

26 June 2003. Government extends Concordia to 15 December but says no international force after that date.

1 July 2003. Gafur Adili (Commander Valdet Vardari), chairman of the Front for National Unification of Albanians and a leading proponent of “Greater Albania, and his associate, Taip Mustafai, are arrested in Albania near the Macedonian border and charged with inciting ethnic hatred, forming terrorist organisations and falsifying documents. Adili is suspected in explosions over the past two years in Macedonia. Showing growing cooperation with Skopje and the U.S., Albania jails Adili.

9 July 2003. In a daytime attack near the centre of government in Skopje, masked assailants kill five, including a six-year-old girl, and wound four in an Albanian tea room. The target is a former NLA commander, Ridvan Neziri, reputed to be deeply involved in extortion rackets.¹⁹⁹ While police reportedly suspect associates of opposition parliamentarian Xhezair Shaqiri, he claims Ahmeti is behind the attack as a means to silence Neziri and cover up a role in an earlier assassination plot.²⁰⁰ Murder total (42) is already up 30 per cent from 2002.²⁰¹

9 July 2003. Villagers on both sides of the Kosovo border block roads and prevent opening of Tanuseveci–Debelde crossing, a key demand of ethnic Albanians who complain Macedonia’s army had unjustly divided families across the border. While the dispute is ostensibly over the precise location of the border crossing, observers suspect effort to stymie any implicit recognition of the controversial February 2001 border agreement between Serbia and Macedonia. Twelve days later, the government announces it will leave the crossing closed until the protest ends.

12 July 2003. At its annual Congress, the DPA demands further constitutional changes, well beyond Ohrid, including a bi-cameral parliament, an

¹⁹⁶ See “Sex and videotapes freed Bojku”, Vest, 25 June 2003. Vest claims that Bojku has saved himself through compromising video tapes of officials and even foreigners. The newspaper also claims that the prison director has not actually been removed.
¹⁹⁸ Interview with senior Macedonian official and discussions with other analysts.
¹⁹⁹ Neziri was implicated in the killing of a police officer in Cair two years ago as well as in an attempt last year on the well-known former NLA commander “Hodza” (Xhezahir Shaqiri) in the Kosovo town of Ferizai-Urosevac.
²⁰⁰ “Police Suspect Six Friends of Xhezair Shaqiri Responsible for Incident at Caircanka”, Fakti, 17 July 2003. Contacted by ICG a few hours after the shooting, Shaqiri (without being asked) claimed an alibi, that he was in parliament during the shooting. ICG telephone interview, 9 July 2003.
²⁰¹ According to official statistics provided by the Ministry of Interior to ICG on 17 July, there were 53 murders in 2000, 59 in 2001 and 65 in 2002, while by 1 July there were already 37 in 2003. The 9 July shootings brings the total to 42.
Albanian vice-president and “consensual democracy” to allow a fuller ethnic Albanian veto, and the right of “self-determination” – all apparently designed to induce Ohrid’s failure.\footnote{Party spokesmen hew to the line that the proposals are all conditioned on the failure of Ohrid, but query the relevance of having an “Albanian vice-president” or a bi-cameral legislature if Albanians get the right of self-determination and secede, as Xhaferi and Thaci say they will do if and when Ohrid fails.}

14 July 2003. An Albanian is seriously wounded in a shoot-out with the army at the main Blace border crossing with Kosovo after a van refuses to stop for a multiethnic army patrol and fires on the soldiers.

16 July 2003. Several hundred state electrical utility employees protest dismissal and clash with police at parliament. Part of growing number of primarily Macedonians at state enterprises losing their jobs, they are reportedly angered by the statement of DUI parliamentarian Rafis Aliti that draw down is good because it helps Albanian representation in the utility. Separately dozens of young Macedonians and Albanians clash in Struga.

30 July 2003. Four police patrolling Skopje-Aracinovo road are fired on by attackers who escape to Arachinovo.

25 August 2003. Two mortar shells are fired at an army watchtower in Gosnice. The “Albanian National Army” claims responsibility.

27 August 2003. Avdi Jakupi kidnaps two, one a policeman, sparking intercession from Albanian politicians and a clash with police on 7 September that leaves two Jakupi associates dead, but fails to capture him. A furore ensues when DUI officials accusing the government of launching the operation without notification.

27 August 2003. A mine explodes on the Skopje-Belgrade railway as a train passes.

29 August 2003. Three rocket-propelled grenades are fired at government targets in Skopje, including an army barracks.
APPENDIX C

ABOUT THE INTERNATIONAL CRISIS GROUP

The International Crisis Group (ICG) is an independent, non-profit, multinational organisation, with over 90 staff members on five continents, working through field-based analysis and high-level advocacy to prevent and resolve deadly conflict.

ICG’s approach is grounded in field research. Teams of political analysts are located within or close by countries at risk of outbreak, escalation or recurrence of violent conflict. Based on information and assessments from the field, ICG produces regular analytical reports containing practical recommendations targeted at key international decision-takers. ICG also publishes CrisisWatch, a 12-page monthly bulletin, providing a succinct regular update on the state of play in all the most significant situations of conflict or potential conflict around the world.

ICG’s reports and briefing papers are distributed widely by email and printed copy to officials in foreign ministries and international organisations and made generally available at the same time via the organisation's Internet site, www.crisisweb.org. ICG works closely with governments and those who influence them, including the media, to highlight its crisis analyses and to generate support for its policy prescriptions.

The ICG Board – which includes prominent figures from the fields of politics, diplomacy, business and the media – is directly involved in helping to bring ICG reports and recommendations to the attention of senior policy-makers around the world. ICG is chaired by former Finnish President Martti Ahtisaari; and its President and Chief Executive since January 2000 has been former Australian Foreign Minister Gareth Evans.

ICG’s international headquarters are in Brussels, with advocacy offices in Washington DC, New York, London and Moscow. The organisation currently operates thirteen field offices (in Amman, Belgrade, Bogotá, Cairo, Freetown, Islamabad, Jakarta, Kathmandu, Nairobi, Osh, Pristina, Sarajevo and Tbilisi) with analysts working in over 30 crisis-affected countries and territories across four continents. In Africa, those countries include Burundi, Rwanda, the Democratic Republic of Congo, Sierra Leone, Liberia, Guinea, Ethiopia, Eritrea, Somalia, Sudan, Uganda and Zimbabwe; in Asia, Indonesia, Myanmar, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan, Pakistan, Afghanistan and Kashmir; in Europe, Albania, Bosnia, Georgia, Kosovo, Macedonia, Montenegro and Serbia; in the Middle East, the whole region from North Africa to Iran; and in Latin America, Colombia.

ICG raises funds from governments, charitable foundations, companies and individual donors. The following governmental departments and agencies currently provide funding: the Australian Agency for International Development, the Austrian Federal Ministry of Foreign Affairs, the Canadian Department of Foreign Affairs and International Trade, the Canadian International Development Agency, the Royal Danish Ministry of Foreign Affairs, the Finnish Ministry of Foreign Affairs, the French Ministry of Foreign Affairs, the German Ministry of Foreign Affairs, the German Foreign Office, the Irish Department of Foreign Affairs, the Japanese International Cooperation Agency, the Luxembourgian Ministry of Foreign Affairs, the Dutch Ministry of Foreign Affairs, the Royal Norwegian Ministry of Foreign Affairs, the Swedish Ministry for Foreign Affairs, the Swiss Federal Department of Foreign Affairs, the Republic of China Ministry of Foreign Affairs (Taiwan), the Turkish Ministry of Foreign Affairs, the United Kingdom Foreign and Commonwealth Office, the United Kingdom Department for International Development, the U.S. Agency for International Development.


October 2003

Further information about ICG can be obtained from our website: www.crisisweb.org
APPENDIX D

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*CrisisWatch N°1*, 1 September 2003

*CrisisWatch N°2*, 1 October 2003
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