
Beyond Kosovo: A Regional Approach To The Balkans

BASIC FACTORS UNDERLYING A REGIONAL SETTLEMENT

1. Any overall settlement in the Balkans should be area-wide and coordinated among the entities directly involved, the neighboring states, the key nations of the outside community, and the relevant political and economic international institutions.
2. It will have to include political arrangements, international security guarantees, and substantial economic assistance as a basis for genuine peace and reconciliation.
3. It must embrace generally accepted international standards, including respect for human rights and rights for ethnic minorities; right of return for all area refugees; rule of law; effective media freedom; and free elections supervised or, where necessary, organized by the international community.
4. The settlement should promote and institutionalize political and economic cooperation, regional trade and/or formal ties among the participating states and entities of the former Yugoslavia, and neighboring states as feasible, including the free flow of goods, labor and capital.
5. International assistance in reconstruction, economic reform and development of economic ties among the peoples of the region and with the European Community must be massive. It should, however, be designed to promote democratic institutions, market reform, adherence to peace agreements, and respect for human rights.
6. Such assistance should target the private sector, encourage local initiatives, and help governments pursue effective economic reform policies. It should seek to curtail corruption and the maintenance of unprofitable state industries. It should avoid encouraging international dependency. The purpose should be to build societies and practices conducive to self-reliance, international cooperation, and outside investment. Positive and negative lessons can be drawn from experiences in Bosnia.

7. The support of the broad population of Serbia will be necessary if peaceful and economically viable regional arrangements are to last. The reconstruction process implied in these arrangements will itself be an incentive for the Serbs to opt away from destructive nationalist policies and join in the regional reconstruction process.
 8. Neither lasting peace in the Balkans nor democracy in Serbia can be achieved as long as Slobodan Milosevic remains in power. He has been indicted by the Tribunal in The Hague for crimes against humanity and his removal from power is a prime NATO objective. There are increasing and encouraging signs of popular Serb desire to be rid of Milosevic, but it is not certain that he will depart in the near future.
 9. A regional settlement may have to be negotiated indirectly with, or imposed upon, Milosevic as the ruler of Serbia. It should nevertheless be made clear that the West condemns Milosevic's actions, that Serbia cannot resume its rightful place in Europe as long as it is governed by indicted war criminals, and that the West will help the people of Serbia in their efforts to bring forth new, democratic, cosmopolitan leadership in their country.
 10. The Kosovar Albanians cannot be expected to live under Serbian control again for the foreseeable future. Arrangements short of formal independence such as an international protectorate or trusteeship are possible, indeed likely, for a transitional period. A more permanent and self-sustaining arrangement is highly desirable if it can be achieved without creating more instability in the former Yugoslav space and the neighboring area.
 11. A credible international military presence is needed to encourage the return of the remaining Albanian-Kosovars, the continued residence of Serb-Kosovars and to maintain peace and order within Kosovo and on its borders. Such a presence will also be a lasting part of any transitional arrangement. Any foreseeable regional settlement will similarly require a prolonged foreign military presence. This settlement should, however, lay the foundation for an end to that presence by, among other things, providing for supervised demilitarization of the states and entities involved, and a comprehensive regional arms control agreement.
 12. A central objective of any regional settlement should be to promote conditions that will encourage a stable political and military environment, economic growth, and increasing self-reliance. These changes will permit an end to the foreign military, political, and economic presence in the region, though no date for that termination should be set.
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THE SHAPE OF A REGIONAL SETTLEMENT

The regional approach discussed in this paper includes security, economic and political dimensions. It would include the former Yugoslav states of Bosnia and Herzegovina, Serbia (once Milosevic is gone), Kosovo (in a manner consistent with its status at that time), Montenegro (as part of the FRY or as a separate entity, if it so desires) and Macedonia – with Croatia added for some purposes – but it could easily be accommodated to include other states in the region. The June 10, 1999 Stability Pact is an important point of reference for the paper, but the paper differs in that it outlines a specific program of action focused primarily on the former Yugoslavia and commencing in the next few months.

The regional approach would be negotiated after NATO and the international civil presence established as part of UNSC Resolution 1244, 1999 on Kosovo have accomplished their initial mission of providing a secure environment and establishing an interim administration for Kosovo. For purposes of discussion the task force assumes that these initial objectives would be accomplished within about six months.

The task force also recognizes that the feasibility of any regional approach depends heavily on how NATO and the international civil presence carry out their mission in Kosovo. Two issues here are particularly critical: (1) an international civilian police force, with the mandate, resources and motivation to carry out aggressive policing functions and (2) internationally administered and widely representative local governing authorities, including an effective judiciary mechanism. Both of these elements must be rapidly established throughout Kosovo – backed whenever necessary by the muscle of NATO – to prevent the Kosovo Liberation Army from establishing exclusive rule throughout the province.

Security

The settlement should include a comprehensive regional security pact embedded in the OSCE regional framework and draw and expand upon existing elements of OSCE arms control provisions, such as the Vienna security accords, as well as some disarmament aspects of the Dayton accords, the KFOR/KLA agreement, and the nascent regional Southeast Europe security process. It should include the following elements:

- Pledges by all participants to refrain from the use or threat of force.
- Confidence and security building measures (CSBMs), including such steps as limitations on force deployment areas, restrictions on mobilization exercises, notifications and data exchange, and inspections.
- Establishing a military balance among participants at much lower levels of weapons and forces, including substantial reductions where necessary to achieve balance, drawing on the Treaty on Conventional Armed Forces in Europe model as appropriate.

NATO forces in the area could use their technical expertise in helping the participants implement provisions of a security pact in such areas as establishing data bases, creating inspection regimes, and designing stabilizing deployment regimes.

Economic

Fundamental economic reforms, including a serious attack on corruption, ties to the European Union, and progressive economic integration, are at the heart of any stabilizing regional approach. The regional settlement should contain commitments to specific steps toward these goals, and longer-term reconstruction assistance should be made contingent upon significant progress toward fulfillment of these commitments by the countries in the region.

Improvement of the investment climate in the region is essential to economic progress. It will depend, *inter alia*, on clear, transparent and consistent laws and regulations affecting trade, procurement and investment. Progress in this direction, and in the attack upon corruption, should be a requirement for continued assistance.

The EU has the leading role to play in assisting the economic recovery of the area. The strongest incentive for real economic reform in Southeast Europe is the lure of affiliation with the EU, as aspirants to accession know they will have to make basic changes to have any hope of admission. At the same time, linkages to the EU have great potential importance in facilitating economic and political progress and stability for the area. For real movement in this direction to be feasible, however, the EU must commit significant resources to the area and reduce barriers on an accelerated schedule.

On economic integration, the goal will be to move toward a free trade area, recognizing that achievement of this goal will take time. Such a program would consist of the following elements:

- The early phasing out of tariff and non-tariff barriers to trade and commerce among the members.
- The harmonization of currency, customs, labor, tax, transportation, communications, standardization and other policies essential to economic cooperation and trade.
- The collection of custom duties at the border of the free trade area, with the EU being the collection agent and rebating them to states based on their progress in establishing democratic processes and market-based economic structures.
- The gradual removal of all barriers to diversified economic development and market reform, including privatization.
- The implementation and enforcement of international organization standards for foreign investment, government procurement, financial services, intellectual property protection, trade in services and other trade-related objectives, including dispute settlement procedures.

- Other measures which would facilitate the economic integration of the region and its eventual affiliation with the European Union.

The EU will have to take the lead in providing the substantial funds from the international community needed to achieve these and other objectives of the regional settlement as well as more immediate tasks. Many members of the task force were concerned about the lasting availability of such funds, and the settlement should contain the strongest feasible commitment to provide them.

Political

The international community should insist that the states of the region move step by step toward institutionalizing political cooperation. As a first step, participants should enter into a regional cooperative agreement under the umbrella of the OSCE's provisions for regional cooperation. Such an accord could include the following elements:

- Respect for sovereignty and territorial integrity.
- Provisions ensuring protection and access for cultural and religious sites across the region.
- Respect for minority rights and free return of all area refugees.
- Enhanced contacts between minority groups separated by state boundaries.
- Enhanced flow of information among participating states.

As the participating states gain experience in political cooperation and as the economic and security elements of regional cooperation take hold, the participating states could be encouraged to expand political cooperation. One step in this regard could be for participants to enter into a series of interlocking agreements that would transform the politically binding commitments of an OSCE-type pact into legally binding treaties. A further step could be the creation of a regional confederation that would provide a political superstructure for economic integration among participating states.

OTHER FACTORS

Refugee Return

A regional settlement – like any other – must hold firm to the principle that all area refugees have the right to return to their homes, or in the case of Serbs in Kosovo, to remain there. Any other approach risks accepting the results of ethnic cleansing. It makes little sense, however, to try to push refugees to go back to, or minorities to remain in, their homes in disputed territories before political and economic conditions are favorable – a recipe for endless frustration on the part of the refugees and the international community as well as possible new conflicts and counter flows of new refugees. Focusing on political stability, tolerance, and economic development to create conditions that make it possible for refugees to return in a stabilizing fashion is a more promising long-term approach.

Justice and Reconciliation

Lasting peace in a post-conflict environment is linked to justice and reconciliation. Justice is dependent on holding accountable those individuals responsible for the atrocities committed in the region. The International Criminal Tribunal for the Former Yugoslavia has jurisdiction and the mandate to investigate and act upon violations of international humanitarian law in the territory of the former Yugoslavia. States in the region are obligated to carry out the Tribunal's decisions, including the arrest of those indicted. This obligation also extends to states with forces in the region and the task force welcomes initial indications of KFOR's readiness to protect sites of war crimes investigations and to detain persons suspected of carrying out war crimes. Some task force members urged a proactive role for KFOR not merely to detain persons suspected of war crimes but to pursue and capture them.

There can be no lasting peace without reconciliation as well. The task force recommends the establishment of a region-wide Truth and Reconciliation Commission, possibly under the auspices of the OSCE. This body would not detract from the work of the Tribunal but would provide an objective forum for the public investigation and disclosure of the causes and consequences of the wars in the former Yugoslavia, including both the policies that caused them and the actions that were carried out by all sides in pursuit of those policies. Some feel the model would be the Truth and Reconciliation Commission in South Africa, but all agree the final objective would be the establishment of a generally accepted public record of the immediate past that would help the peoples of the region turn their attention to the future.

Participants and Borders

At a minimum, a regional settlement must include the former Yugoslav states of Bosnia-Herzegovina, Macedonia and the constituent parts of the FRY. Serbia should be included as soon as Milosevic is gone. Reconstruction assistance to Serbia would be made contingent upon its cooperative participation in negotiations or adherence to any pact already concluded. Kosovars should be included in the negotiations as representatives of an "autonomous" Kosovo administration or, if there is no such administration in place, as advisers to representatives of the international administration of the territory. Montenegro could participate as a part of the FRY, using the EU model of regional cooperation, or as a separate entity if that were its wish.

It would be highly desirable to include Croatia in regional political and economic accords but doing so would require the international community to exert stiff pressure to overcome certain resistance from Zagreb to anything that smacks of a "return to the Balkans." Croatia, which at the present time may possess the most capable military force in the former Yugoslavia, must be included in any regional security approach*.

All elements of the regional approach should also be open to interested states outside the former Yugoslav zone, especially Albania. Greece, Bulgaria and Romania may also wish to participate in some aspects of regional cooperation. Negotiating the regional approach within the Stability Pact, as discussed below, would facilitate the inclusion of Croatia and other regional states that have signed the Pact.

UNSC resolution 1244, 1999 provides for Kosovo to enjoy "substantial autonomy and self-government." Unlike the Rambouillet agreement, the resolution does not provide for a referendum on Kosovo's status. It does, however, characterize this autonomy as "pending a final settlement." Some members of the task force believe that Kosovo's connection with Serbia will become increasingly theoretical and that the effort to maintain that connection will be a source of tension within Kosovo and of instability within the region. They favor biting the bullet and allowing Kosovo to have the independent status that is desired by the vast majority of its inhabitants. Other members of the task force oppose independence for Kosovo on the grounds that it would have a highly destabilizing effect on political developments within Serbia and would in all likelihood be merely a way station toward creation of a Greater Albania, which would pose dangers throughout the region, especially for Macedonia.

The task force also debated the possibility of a larger re-drawing of borders. The key trade-offs here are justice, the desires of the peoples of the region, and long-range

* Some members felt that the regional settlement can only be concluded by multi-party, multi-ethnic representatives from the constituent parts of the former Yugoslavia. Croatia in particular cannot simply be represented by the HDZ government.

stability in the region and beyond. Some members believe that the limited progress toward establishing a unified state in Bosnia-Herzegovina and the determination of the Kosovar Albanians not to live under Serbian rule show that the only way to achieve lasting stability in the former Yugoslavia is to allow those peoples who wish to live together to do so, even if this means forming what are largely ethnically homogeneous states. Others viewed border changes as impractical and dangerous given the difficulty of agreeing on the new borders and the resistance of many of the parties concerned.

The task force suggests that the issue of possible border changes be seriously debated as part of the process of negotiating a regional settlement. This would allow all parties the opportunity to make the case – pro and con – for specific border changes. It would provide for the possibility of a consensus to develop around some options at a time when the international community has maximum leverage for enforcing any decision – through reconstruction assistance, integration into European structures and a substantial troop presence on the ground. In any case, it would be easier to handle the issue of borders within the framework of a regional approach, whether the decision is to revise them or retain them as they now exist. Under the regional approach, all of the potential candidates for border changes would be included in a framework of interlocking security, economic and political commitments that would help promote stability in the region whatever is their final status.

Serbia and Milosevic

Sound regional integration cannot be achieved without Serbia and the issue of what to do about Milosevic, therefore, must be addressed in the broader context of what to do about Serbia's future. All members of the task force agree that the objective of Western policy should be to encourage the creation of a democratic Serbia firmly linked by ties of peaceful cooperation to its neighbors and associated with Western European institutions. All further agree that this cannot be accomplished while Milosevic remains as ruler in Belgrade.

There are divisions, however, about the best method for encouraging his departure. Some believe that Serbia should be isolated from anything other than basic humanitarian aid as long as Milosevic remains in power. At the same time the international community should use all its resources to inform the Serbs that once Milosevic has left the scene and Serbia begins to move in the direction of democracy and respect for its neighbors, it will be allowed to return to its proper place in the world community and be fully included in all economic reconstruction measures. This promise could be made more effective by publicly earmarking some reconstruction monies for this purpose.

Other task force members believe that Milosevic thrives on isolation and that treating Serbia as a pariah state and denying it assistance would actually help

Milosevic maintain his hold on power. They believe that the West should encourage maximum contacts with Serbia and that these contacts should be aimed at enhancing the information available to the Serbian people about alternatives to Milosevic.

All agree that a regional approach to a Balkan settlement would encourage positive evolution within Serbia and in Serbia's relations with its neighbors. A regional approach would help reassure Serbs that their legitimate interests in Kosovo and elsewhere would be respected, that Serbian minorities would be protected and that the international community is determined to include Serbia in a zone of prosperity and democracy that is moving toward institutional ties with Western Europe.

GETTING THERE

The most immediate tasks of the international community in the next few months are to:

- enforce the military provisions of the Kosovo accord.
- provide a secure environment for the return of refugees and the continued stay of all Kosovo residents.
- create the international civil presence and the beginning of widely representative local governing authorities.

Once these initial tasks are well under way, the international community should promptly turn its attention to a broader regional accord as the best way to assure lasting peace in Kosovo and beyond. The international community should avoid two mistakes made after Dayton that, in retrospect, contributed to the outbreak of hostilities in Kosovo – that is reducing international diplomatic efforts once the fighting had stopped, and concentrating on only one part of the broader Yugoslav issue.

The regional settlement outlined above is quite consistent with and should draw upon the existing Southeast Europe regional programs, most notably the June 10, 1999 Stability Pact. Negotiation of the settlement could be launched by a UN Security Council resolution which would establish a deadline, perhaps one year, for completion. The negotiations must involve the leading players from the West, the Russians, and the countries of the region (including Serbia, but only after Milosevic is gone) and there should be a chief negotiator who could give impetus and direction to the process. The negotiations could be carried out under the auspices of the contact group, the UN, or the Stability Pact, but they must be structured to move expeditiously and effectively. The chief negotiator should have the authority to recommend at the end of the year withholding international reconstruction assistance from any parties deemed responsible for holding up agreement.