

Implications for Southern Serbia

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Southern Serbia, once a vibrant cross-roads for trade and social engagement, has seen its region fractured with the impositions of new borders and administrative boundary lines. The impact of conflict has been acutely felt in the region, through decreased investment, migration of people and the outbreak of violence. Although the region is currently described by many as “fairly calm” significant tensions exist below the surface. Within the context of the transfrontier project¹ that has been implemented by EastWest Institute (EWI) since 2003 in the region of southern Serbia, Kosovo and Macedonia, there are a number of observations that can be made with regard to the impact of Kosovo’s declaration of independence in February 2008 and its influence on Southern Serbia.

This paper is comprised of three sections. An overview of the current state of Southern Serbia and a brief history of recent conflict in the region set the context for an analysis of tension-causing factors as well as factors promoting stability in the region. In conclusion, in light of Kosovo’s declaration, a number of potential impacts are reviewed within the context of the on-going political debate throughout the Republic of Serbia.

¹ Following the Kumanovo Memorandum of June 2002, which was signed by fifteen local mayors from Macedonia, Serbia, Bulgaria and Kosovo, with reference to the Stability Pact’s support in this area, EastWest Institute, SEE Change and key local municipalities launched project activities in early 2003, focusing on the municipalities of Gjilan/Gnjilane, Preševo and Kumanovo and in 2004, Trgovište, hence the name the GPKT Project. The three main areas of work include: Policy-level work, Municipal and Economic Development support and Community-level work through thematic working groups, capacity building and a micro-grants scheme.

State of Southern Serbia

The area known as Southern Serbia contains thirteen municipalities in the Pčinja and Jablanica administrative districts. Within the six southernmost municipalities of the Pčinja district, the population includes 65% Serbs, 24% Albanians and 5% Roma, with the remaining 6% of the population comprised of small numbers of other ethnicities. While Roma families are fairly evenly distributed across the six municipalities,² the majority of Albanians are located in Preševo (89%) and Bujanovac (55%).³

Despite the gains made by the Republic of Serbia through reform implementation in recent years, significant disparities between Southern Serbia and the rest of the country remain. The economic situation is particularly dire in this region, which is regularly among the poorest and least developed in Serbia. The official unemployment rate is just below 20%,⁴ although this ranges quite significantly according to municipality and is, most likely, not an accurate reflection of the true figures. Unemployment figures for municipalities containing a large percentage of national minorities experience significantly higher rates of unemployment. For instance, the municipality of Preševo has an unemployment rate exceeding 60%.⁵

According to a recent study commissioned by EWI, which surveyed 1 000 households across the broader region of Southern Serbia, Eastern Kosovo and North-eastern Macedonia, nearly half the respondents report that their monthly wages are not sufficient to meet most needs, with just under 20% claiming they can hardly survive. Three quarters of the respondents claim to be living on a monthly income of less than 300 Euro

² Figures in the municipalities of Bujanovac, Vladičin Han, Vranje and Surdulica range between 1 200-4 700 inhabitants, with figures for Preševo (322) lower, and no one living in the eastern municipalities of Bosilegrad and Trgovište.

³ Republic of Serbia – Republic Statistical Office. (December 2002). Final Results of the Census 2002.

⁴ Republic of Serbia – Republic Statistical Office. Unemployment Rates for 2007.

⁵ Kastratovic, E. and Vladimir Marinkovic. (January 2007). Key elements of a development strategy for the south of Serbia. *South-East Europe Review*, pp. 61-72.

and 10% of households stated that no one in their family is employed.

While a lack of investment has taken its toll on Southern Serbia, the high levels of migration have had a severely damaging impact on the social capital of the region. Some villages still suffer from a lack of electricity, paved roads, water or telephones⁶ which, along with a lack of prospects, has resulted in significant shifts in population. In recent years, a number of villages in the Ground Security Zone (GSZ) have been completely depopulated, and the municipality of Trgovište has seen its population decrease by nearly two thirds in the past decade.

Despite this rather bleak picture, it is important to also look at the significant improvements that have been made in the region in recent years. A large number of infrastructure projects have drastically improved roads and the functioning of utilities. Extensive support to municipalities has improved the capacity of local government to prepare strategic development plans (all save the municipality of Trgovište) and implement efforts to improve government transparency, local judiciary and security functioning. Significant support has been provided for the development of small and medium enterprises through financial support packages and improved access to funding for business development activities has occurred. Citizen Assistance Centres have improved delivery of services, a region-wide development agency has been created and a significant amount of work has been done to promote cross-border trade. Local and international NGOs have been particularly active in a wide variety of areas such as health and education, promoting inter-ethnic dialogue and implementing projects on specific issues such as drug abuse and corruption, and working with target groups such as the Roma community, women, youth and refugees and internally displaced persons (IDPs).

Despite the significant problems the region faces, many people perceive their everyday life in the region as normal, with minimal overt problems. However, in Bujanovac and Preševo, significant mistrust and tension exist between the local and state institutions. While these tensions are

⁶ International Crisis Group (ICG). Serbia: Maintaining the Peace in the Presevo Valley. Europe Report No. 186. October 2007, p. 3.

not always readily seen, this may be attributed to the fact that ethnic groups live in separate spheres; they inhabit different parts of the municipality and attend their own schools and religious buildings. A recent policy report focusing on youth by EWI confirms these gaps – other than football matches and activities supported by local and international NGOs, most youth (ranging in age from 17-23) confirm that there is minimal inter-ethnic interaction.

Causes of Tension & Factors Promoting Stability

Despite the fact that Southern Serbia is currently fairly calm, conflict is a recent memory for people in this region. Although the signing of the Konculj Agreement brought an end to the insurgency in May 2001, sporadic outbreaks of fighting continued in 2002 and 2003. A critical dimension to the conflict in Southern Serbia was that the focus of tension was between an ethnic minority and state institutions; fighting did not escalate to the point that neighbours were taking up arms against one another.⁷ The riots in Kosovo in March 2004, although not resulting in violence in Southern Serbia, were a reminder of the simmering tension. Sporadic incidents in the recent past have been attributed more to banditry, with organised crime seen as a major threat to security in the region.

While many see a return to overt violence as unlikely, there exist a number of tension-causing factors in the region, which, if not addressed in a concrete and visible manner, will continue to hinder the development of the region.

Discrimination

Since the early 1990s, ethnic Albanians have been under-represented in state administration and by the main employers in the region. They were

⁷ Thorogood, T. The South Serbia programme: Lessons in Conflict Prevention and Recovery. Private Sector Development. Issue number 06/2007.

almost completely excluded from the police and judiciary. Claims of biased distribution of state aid abound and cases have been cited where municipal intervention in business affairs has blocked investment opportunities for Albanians.

However, discrimination is not one-sided. When the Albanian majority came to power in the municipality of Bujanovac, Serb and Roma representatives were removed from their positions, in effect, creating a mono-ethnic city assembly. The use of discrimination to redress previous wrongs is a dangerous tactic and has resulted in an increase in ethnic tension in this area.

Unemployment

Unemployment is a serious problem for all ethnicities in the region. However, its affects are more pronounced among the Albanian and Roma communities, where unemployment figures are highest. Bujanovac and Preševo municipalities allege unemployment levels near to 60% and 70%. There are a handful of private sector firms but the main source of employment is the public sector. Many people are involved in the grey economy and a significant percentage of the population relies upon remittances and small-scale agriculture.

The municipalities with the largest representation of Albanians have traditionally been an economically neglected region in Serbia, with per capita income falling far short of the Serbian average. Uneven investment on the part of the state continues to fuel frustration and the process of privatisation, marked by allegations of corruption and cronyism, further entrenches perceptions of prejudice.

Security Concerns

Despite the relatively calm security situation, with respondents to the EWI survey stating that they feel safe in general, the presence of the Serbian Army and Gendarmerie is a notable cause for feelings of insecurity.

rity among the Albanian population. Although the police force has taken significant steps to become more ethnically diverse, a large number of Albanian respondents from Preševo and Bujanovac remain concerned by the police forces. However, the main security issue for citizens in the region relates to criminal activity and banditry – not threats coming from other ethnicities.

A key problem with security appears to be a lack of communication. A lack of knowledge regarding the activities and aims of security forces in the region results in feelings of isolation among the Albanian community. There is a clear need for improved communication between Belgrade and their local counterparts, as well as between the army and police and local authorities.

A key component of security is organised crime and trafficking – of goods, people and drugs. This is a recognised problem for which many claim the political will and support for addressing it – in terms of financing, infrastructure and knowledge capacity – is insufficient. Porous border areas facilitate such activity, which has an obvious impact not only on security, but on perceptions of corruption as well. The presence of a large quantity of weapons seized by the local population after the end of the conflict is another factor contributing to the security threat.⁸

Central Government Mistrust

According to Albanians in Southern Serbia, institutional discrimination is the cause of problems in the region – not local tensions. The policies of the Serbian government under Milošević have left a legacy of mistrust that, when combined with under-investment and unequal representation from Albanian communities and a clear lack of engagement, continues to place significant stumbling blocks before the sustainable improvement of relations. It must be noted at the same time that a lack of engagement on the part of the Albanian community – including boycotts of elections

⁸ Lazic, N. and Driton Salihu. (May 2008). South Serbia Simmers but Does Not Burn. Balkan Investigative Reporting Network.

and coordination body meetings as well as condemnation of Albanian politicians attempting to work from within the system in the recent past – has not helped improve relations with the state.

Albanian communities are not the only population for whom mistrust of the central government is a major issue. Across the board, municipalities participating in the EWI survey from Southern Serbia revealed a lack of confidence in their government. 100% of respondents from Preševo lack confidence in their government, while respondents from Bujanovac, Trgovište and Vranje all record figures of nearly 80%. While the reasons behind this mistrust obviously vary, what these respondents all have in common is their location. Communities located far from capitals often find themselves at the periphery of national debate. These feelings are further reinforced as, other than at election time, visits of high-ranking government representatives to the region are an extremely rare occurrence. This is particularly worrying for border communities where the effects of conflict are often most acutely felt.

Lack of Prospects and Education

Few economic opportunities and low levels of investment have led to significant emigration from Southern Serbia, contributing to a downward spiral of underdevelopment. The plan outlined by Deputy Prime Minister Čović in 2001, which called for the clear integration of Albanians into the political, government and social system in proportion to their population, has stalled in recent years. Seven years on, the multi-ethnic police remains the only area where significant state integration has been accomplished.⁹

With regard to stability in the region, it is important to remember that when an individual cannot articulate a positive future for him- or herself, it is even more difficult for a community to do so. Education is an area that could play an enormous role in improving interethnic relations. Ho-

⁹ Huszka, B. The Presevo Valley of Southern Serbia alongside Kosovo The Case for Decentralisation and Minority Protection. (January 2007). Center for European Policy Studies. No. 120, p. 3.

wever, apparently multi-ethnic communities are more often than not divided through the fact of their children going to different schools. The disregard shown towards non-Serb ethnicities in the composition and translation of textbooks marginalises non-Serb students, making them feel that they are not a welcome part of Serbia. The fact that school books are not translated into Albanian results in the use of texts from Kosovo that are based on a different curriculum and do not prepare students for higher education in Serbia, with the result that most ethnic Albanians study at universities in Kosovo or Macedonia. A generation of children growing up in isolation from one another does not bode well for the future.

Irredentism

There are Albanian politicians who continue to advocate for unification with Kosovo. Whether they think this is realistic is irrelevant – the problem is with the perceptions it fuels. On the one hand, encouraging isolation among the Albanian population from Serb neighbours, and on the other, fuelling mistrust among Serbs who view such calls as undermining Serbian sovereignty.

External Manipulation

Following Kosovo's declaration, inflammatory rhetoric and manipulation by the government, religious institutions and media have played key roles in fuelling tension among the population. While it is absolutely understandable for people to express their frustration and unhappiness, it is irresponsible on the part of these actors to facilitate the conditions that have led to the destruction of property, the creation of fear among the population and even death.

Political Instability

Internal quarrels and political in-fighting cause problems in a number of ways. Among the Albanian population, coalitions are constantly con-

fronted with quarrels, as parties vary greatly on their views with regard to engagement in political life in Serbia. Struggles for power have also resulted in the loss of development opportunities for Serb-majority municipalities in the region, which worsens tension surrounding unemployment and under-investment.

At the national level, the political instability brought about by the collapse of the government is taking its toll on the economy and governance, and this is magnified in southern Serbia, as the “wait and see” atmosphere discourages investment, blocks trade and holds people in an unsustainable state of suspension.

International Community

The role of the international community has also fuelled tension in many respects. Although international agencies working in the region have, on the whole, good relations with municipal representatives, civil society and communities in general, claims of bias toward minority communities have been raised. Many donor agencies have left the area, although a handful of new projects have come to the region. While those countries who have pushed for Kosovo’s independence (as well as being involved in the NATO bombing campaign) are obvious targets for frustration, activity in the International Criminal Tribunal for the Former Yugoslavia and poorly-timed pronouncements supporting Kosovo’s independence while negotiations were on-going, among others, have certainly not helped diffuse tension.

Frustration at the lack of presence of the central government in Southern Serbia is an issue where many donors and international agencies are equally at fault. Except those with offices in the region, it is rare to see international representatives coming through and when they do, they rarely meet with local civil society unless they are funding them. Additionally, local participants are rarely seen at conferences or events abroad; even when civil society is the focus. Institutes, NGOs and other civil society representatives from the capitals (as well as private consulting

firms) are seen in abundance, but representatives from border communities and communities distant from the capitals are often absent.

The long list of tension-causing factors might seem worrying, but there are a significant number of factors contributing toward stability in Southern Serbia. The following list contains just a sample of those factors that possess significant potential to counter many tension-causing factors in the region.

- *Infrastructure Improvements*
The region's infrastructure has visibly improved in recent years – the rebuilding of schools and roads, improvements to less visible infrastructure such as sewage and water supply, and development of economic infrastructure such as livestock and green markets are some of the areas that have been improved. The implementation of visible, concrete activities is key to helping people in the region regain a sense of hope for the future while concurrently assisting in removing some of the causes of tension in the region.
- *Albanian Participation*
Albanian participation in elections in 2007 and 2008 represents a remarkable and positive turnaround from little participation in the past.
- *Leadership*
Leadership and co-operation were critical to the successful management of the conflict in 2001, and this capacity has not left Southern Serbia, although the willingness of the Serbian government to engage as effectively as they did then remains to be seen. In the wake of the riots in 2004 leadership once again played a key role in maintaining calm, as the mayors of Gjilan/Gnjilane (Kosovo), Preševo and Kumanovo (Macedonia) joined together to issue joint statements against violence.
- *Multi-ethnic Police Force*
The establishment of the multi-ethnic police force has contributed overall to an improved security situation in the region and is an example that must be further replicated.

- *Coordination Body*
Should the Coordination Body, which has made moves to improve its image, be able to overcome the mistrust and scepticism of many in the Albanian community, it could prove critical toward improving ethnic relations and drawing the Albanian population closer to its fellow municipalities. This will of course require willingness to engage with the Body from the Albanian community.
- *Local Civil Society*
Local civil society is quite active in the region and although the number of strong local NGOs is limited, they are a key player in providing support to issues that range from governance, health and education to youth engagement, corruption and economic development. More support to civil society is needed, as well as improved co-operation between civil society and local government.
- *International Activity*
Local visibility of international activity, particularly the United Nations Development Programme's (UNDP) Municipal Improvement and Revival Programme (MIR) has had a major impact in terms of reassuring communities and helping to reduce tension.
- *Municipal Co-operation*
Participation of the Bujanovac, Medvedja, and Preševo municipalities in the establishment of a regional development agency, along with ten other (non-Albanian) municipalities and the participation of municipal representatives, schools and civil society in cross-border co-operation are all positive signs.
- *European Integration*
Local citizens cite EU integration as a key mechanism for improvement in the region. Nearly 50% of the respondents to the EWI survey see integration as critical to economic development in the region and 25% see it as important for regional stability and security.

Potential Impact on Southern Serbia

Despite minor outbreaks of violence and banditry in Southern Serbia, the response to the declaration in February from Belgrade has been far less

forceful than initially expected, focusing more on strengthening parallel institutions in the Serb-dominated areas of Kosovo and using diplomatic means to attack the declaration. The predicted embargoes and tightened border regimes have yet to materialise, but there have been a number of impacts, particularly with regard to trade and the movement of people, in the region. One thing that is certain is that separation does not solve the problems that have fuelled tension and resulted in open conflict in the region. There is a real danger in current perceptions of some that it may be possible to draw a line under the history of the region and simply “move on”.

Although there has been political radicalisation to some extent in the region, participation in protests and political rallies surrounding the issue of Kosovo were lower than expected. An important point to make is that recent voting trends do not necessarily indicate radicalisation, neither on the part of the Albanian nor Serb communities, and have as much to do with dissatisfaction with current local government leaders and the economic situation in the region.

The declaration of independence made by Kosovo is a highly emotive issue throughout Serbia and does possess the potential to destabilise Southern Serbia, though most people do not predict an outbreak of serious conflict. However, the protracted negotiations over the formation of a government in Serbia contributed to a state of suspense in the late spring and early summer of 2008. This uncertainty has had a paralysing effect on political and everyday life. Prospects for investment have been put on hold in recent years and this may continue, having a negative effect on the already poor socio-economic situation, where evidence of decreased trade across borders has been reported.¹⁰ The “wait and see” approach that has plagued the broader region in the past decade continues to persist, and without concrete and visible progress, simmering tension may rise to the surface.

¹⁰ Lazic, N. (May 2008). Business Pays the Price of Kosovo Dispute. Balkan Investigative Reporting Network.

In general terms, a more “pro-European” coalition would most likely see a state of non-recognition with minimal sanctions, allowing cross-border co-operation to continue and a resurgence of investment – though it remains to be seen if such investment will filter down to Southern Serbia as national interest in the region has remained minimal regardless of the ruling coalition. A more “hard-line” coalition would probably result in stricter border regimes, a more overt military presence in the region and difficulties for cross-border co-operation. Another impact of such a coalition would likely be protests, which may result in clashes between citizens. There may also be increased difficulty for media who are not seen to be “towing the line”, as well as for civil society. However, this may not surface as much in Southern Serbia, where there is tremendous support and encouragement for improved engagement between civil society and local government from local, international and municipal representatives.

At the local level, interest in improving living conditions remains a high priority and most municipalities have chosen, in the past, a more moderate approach, emphasising improvement in local living conditions. In this case, the continued distance of Belgrade could in many ways, be useful for the region should a hard-line approach be adopted in Belgrade.

The stance of Priština could also have a major impact on Southern Serbia. Any moves, such as border sanctioning (retaliatory measures such as fees for those with Serbian plates, perceptions of uneven checking of vehicles with Serbian plates, etc.) will impact trade and may result in retaliatory actions from Belgrade, further isolating Southern Serbia and affecting the movement of goods and people. It will also be important to pay attention to developments in the Serb enclaves in Kosovo. Increased autonomy through decentralisation will certainly impact claims for increased autonomy among Albanians in Southern Serbia and may fuel secessionist rhetoric, and any perception that Serbs in the enclaves are in any way under threat may also fuel tension.

Although there was an immediate build up of police and army presence in the border regions preceding and immediately following the declaration, this has been reduced. With regard to security, it is seen as highly

unlikely that the Albanian community will want to take up arms in order to join an independent Kosovo and most feel that the worrisome “domino effect” on Preševo will not surface. The leadership in Priština had certainly encouraged Albanian politicians to avoid inflammatory rhetoric during the period around the declaration. However, there is an expected increase in military presence, not only in existing bases in Southern Serbia, but also with the construction of the base in Cepotina, where 1 000 soldiers are expected to be based. The impact of such a presence will be influenced not only by the ruling coalition, but by local authorities as well. The construction of the base will obviously continue regardless of who is in power, but a hard-line stance in Belgrade might see a more overt display of military presence, which would undoubtedly fuel apprehension among Albanian communities.

Some claim that a further outflow of the Serb population from Kosovo and subsequent pressure in an already economically depressed region will threaten security and aggravate tension. While it is prudent to plan for such movement of people, this impact has not yet been seen; in fact, Belgrade has been doing everything it can to ensure that Serbs stay in Kosovo and sustain the parallel structures they are working to create. Further, any people moving into Southern Serbia are unlikely to remain, as opportunities are lacking and, as with previous movements of populations, many will simply pass through Southern Serbia on their way to other areas of the country.

Depending on the outcomes of local elections in Preševo and Bujanovac, the most likely response is continued lobbying for increased autonomy through decentralisation. Decentralisation at the municipal level is an option that would be welcomed by all municipalities in Southern Serbia and could be a feasible option for addressing Albanian concerns without fuelling tension among other municipalities who would see themselves benefiting as well. However, there is a danger in treating decentralisation as a panacea to the problems faced in the region, as there is equal danger that decentralisation of responsibility without the requisite financial support and capacity to provide services could further exacerbate problems.

The influence of Kosovo's declaration will, in many ways, be influenced by legislation in Serbia, which, if there is a political stalemate, could be detrimental. Continued privatisation could cause unemployment rates to increase further, thus fuelling tension, whereas continued improvements in financial legislation with regard to access to business loans for small and medium enterprises could have a significant and positive impact in the region.

The issue of freedom of movement is a critical one and once again, we find ourselves in a "what will happen when..." position. The creation of the Administrative Boundary Line (ABL) caused many problems as people found themselves suddenly grappling with a boundary between themselves and their business interests, relations and friends, and in some cases, schools, not to mention significantly increased costs for travel, non-recognition of Kosovo vehicle plates and communication problems linked to mobile phone networks. Perceptions among local communities indicate serious concern about travel between the two regions and what will happen when new passports are issued in Serbia is a question on everyone's mind, as this will prove challenging for those living in Kosovo who currently possess Yugoslav passports.

The poor regional cohesion that exists in Southern Serbia could be further weakened in the immediate future. Already the municipalities of Bujanovac and Preševo look towards Kosovo and Macedonia for opportunities and alliances, and Bosilegrad looks increasingly toward Bulgaria. While it is important for Southern Serbia to see itself in a larger regional context, a lack of engagement among different communities within south Serbia may only serve to sustain perceptions of mistrust and present significant stumbling blocks for development.

A final area of concern is potential spill over impact. While escalation of conflict in Southern Serbia might easily impact not only Kosovo but Macedonia as well, an intensified and continuing monitoring of the situation on the ground by the international community and increased international political engagement is strongly recommended.

Conclusion

As a region for which conflict is a recent memory and where community tensions continue to simmer, Southern Serbia faces a number of challenges in managing tensions and addressing the causes of instability in the region. Southern Serbia's future depends, to a large extent, on the ability of its leaders – government, private and non-governmental – to co-operate in promoting progress on key areas of common interest, while at the same time seeking to ameliorate the causes of tension – particularly discrimination – in a manner that does not fuel tension for the majority.

Although this is an enormous task, the building blocks for such engagement do exist – what is required is a combined approach of concrete action complemented by continued relationship- and confidence-building. Despite activities carried out by a number of international and local organisations, the challenges for Southern Serbia outweigh the existing support structures and levels of financial assistance. Further support and engagement in the region is required in order to build upon the gains that have been made and fill the gaps that threaten to undermine these gains. Significant external support is essential in the process, particularly as the level and type of engagement coming from the central level remains unclear in the foreseeable future.

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