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KOSOVA: THE NEXT PHASE

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I will briefly address the four questions posed concerning the strategic challenges facing the United States and Europe in the aftermath of Kosova's independence.

- *What will be required for Kosova to develop into a functional, multi-ethnic society with strong institutions and respect for the rule of law?*

The first step has already been taken by removing the ambiguity of the status quo, establishing Kosova's statehood, and launching the process of international recognition. The priorities for the new administration in Prishtina over the next year must include: the implementation of the Ahtisaari package focused on decentralization and the assurance of minority rights; launching an anti-corruption program with full transparency in government operations; comprehensive judicial reform; and the passage of laws to encourage foreign investment. Prishtina needs to work closely with the EU's International Civilian Representative (ICR) and with the EULEX mission of police officers, judges, prosecutors, and customs officials.

The EU needs to take responsibility for the provision of targeted economic and technical assistance. However, supervised independence, involving protective security and the EU rule of law mission, must avoid heavy-handed interference that creates confusion and paralysis in government decision-making. EULEX must avoid turning the new mission into a replica of UNMIK in which the foreign presence undercuts political responsibility and self-sustaining economic development. EULEX must be a short-term operation with specific objectives and not an indefinite presence or a substitute for sovereignty. Relationships of dependence do not encourage development and international integration.

There is a danger that politicians and public alike may see the EU as a benefactor and the EU mission as a dispenser of assistance that brings with it the promise of Union membership. Kosova must wean itself off foreign aid and establish a productive economy and develop its infrastructure to enhance regional cooperation and eventual European integration. A longer-term priority for Prishtina is to gain an EU Stabilization and Association Agreement (SAA), similarly to other West Balkan states. Economic viability is not a reflection of size or location, but a consequence of entrepreneurship, the rule of law, innovation, and efficient government. Kosova needs to attract investors now that its status is settled. Hence, it must introduce clarity in property rights, transparency in legal contracts, and incentives for foreign capital.

The role of the ICR should also focus on integrating all minority groups, including the Serbian population, into Kosova's body politic. A multi-ethnic society needs to be cultivated among all communities in which minorities can benefit from incentives to

remain in Kosova. However, given the sense of loss, the lack of a united Serbian political leadership, and the incessant pressure from Belgrade, Serbian communities in the north may support separation while those in the rest of Kosova may seek to move northward. Over the coming weeks, the Kostunica government could pursue the partition and annexation of Kosova's northern municipalities by reinforcing parallel political structures on the territory. Some officials in Belgrade may calculate that such a scenario could precipitate more tangible Russian assistance. Prishtina must not react to such provocations but allow NATO and the EU mission to maintain Kosova's territorial integrity. Partition is the policy of last resort for Belgrade as it would indicate that the government is resigned to Kosova's independence. However, Belgrade cannot bank on a consistent and supportive Russian role as Serbia is only one piece on a much bigger chessboard for the Kremlin.

- *How to improve prospects for Serbia's Euro-Atlantic integration?*

It will take time for Belgrade to regain its EU focus and accept the new realities in Kosova. Russia's regime has complicated matters by emboldening the Serbian government to resist decisions by an increasing number of states to recognize Kosova. In reality, both sides are exploiting each other: Russia is regaining a foothold in the Balkans through Serbia, while Serbia is leveraging Moscow to oppose Kosova's independence.

At present there is nothing sufficient that can be offered to Belgrade in terms of EU cooperation as the Kostunica administration claims that this would acknowledge the legitimacy of the EULEX mission and even the loss of Kosova. Belgrade has withdrawn its ambassadors from Washington and several EU capitals that have recognized Kosova although it has not severed diplomatic relations. The U.S. and the EU must continue to urge dialogue with Serbia to prevent the country's isolation. Re-engagement is unlikely to be rapid, given the divisions in the Serbian government and the unwillingness of senior politicians to discard lingering national resentments and negative Russian influences.

NATO enlargement at the April 2008 summit in Bucharest and the inclusion of Croatia, Albania, and Macedonia would help demonstrate to progressive forces in Serbia that a cooperative relationship with the Alliance promotes modernization and provides a stimulus toward future EU entry. With NATO's further enlargement, Serbia will be enveloped by the Alliance and can carefully monitor how its neighbors benefit from inclusion.

One important means for reaching the Serbian and Albanian publics in the Balkans at a time of uncertainty and potential instability is a free media. Unfortunately, while the independent media in Serbia is experiencing increasing pressure with more frequent attacks on journalists, the Radio Free Europe/Radio Liberty Broadcasting Board of Governors has proposed the closure of its South Slavic and Albanian language programming over the coming year. This is a premature and short-sighted approach as the western Balkans have still to achieve a sufficient level of stability, in the absence of a fully protected free media in Serbia, which would warrant the closure of one of the most important vehicles for objective reporting.

- *How to manage the implications of Kosovo's independence in other areas of South East Europe, particularly in Bosnia's Serb Republic?*

The recognition of Kosova's statehood will generate some regional tensions that require competent handling by the trans-Atlantic powers. The stabilization of the western Balkans is manageable if NATO, the EU, and the U.S. work in tandem to prevent Belgrade and Moscow from exploiting latent tensions and militant expectations in Bosnia-Herzegovina, Macedonia, and Montenegro. Belgrade no longer possesses the capabilities or intentions to export armed conflict to neighboring states, but a display of diplomatic and military resolve may be necessary by NATO and the EU to convince local actors that the West is serious about stability. Closer cooperation with the governments in Sarajevo, Skopje, and Podgorica will enable Washington and Brussels to contribute to their security requirements.

NATO entry for Albania, Croatia, and Macedonia will contribute to consolidating regional security. Inclusion will prevent these countries from feeling isolated and vulnerable to any negative effects stemming from Kosova's statehood or Serbia's reaction. Their accession would mean that almost the entire Balkan Peninsula is either within NATO or moving in that direction. Montenegro, which is committed to trans-Atlanticism, must also become a credible candidate in the near future and receive a Membership Action Plan (MAP), while Bosnia-Herzegovina and Kosova will remain under EU and NATO supervision for several years.

The commitment of international players to the integrity of Bosnia-Herzegovina was recently reaffirmed with the extension of the mandate of the High Representative to oversee judicial, economic, and security sector reforms. Bosnia is also on the verge of receiving an EU Stabilization and Association Agreement (SAA) once the country's two entities implement reforms to unify their police forces. The U.S. and the EU may also need to restrain Sarajevo's reaction to potential provocations by militants in Bosnia's Serb Republic, while periodic demonstrations of EU resolve may be necessary to discourage partitioners. With regard to Macedonia and Montenegro, border treaties with Kosova will be essential to build confidence and remove any lingering fears of pan-Albanianism. The new NATO members can also work more effectively with Kosova to combat cross-border criminal and militia networks and promote free trade and other forms of economic cooperation.

- *How to manage relations with Russia in the aftermath of Kosovo's independence?*

Although Moscow exploits Kosova as a pawn in its strategic struggle with U.S. and EU interests, it is unlikely to provoke a major confrontation with the West. In protesting the recognition of Kosova's independence the Kremlin aims to raise its international stature by claiming that Russia is a major defender of international legality and the protector of state integrity. At the same time, Moscow depicts the U.S. as a unilateralist maverick to disguise its own imperial ambitions among former satellites. Kosova enables Russia to elevate its international position, to interpose in Balkan and European affairs, to promote

splits within the EU, to gain veto powers over Europe's enlargement, and to construct a Eurasian pole of power as a counterbalance to the United States.

Russia will continue to pursue its expansionist agenda more vigorously in several neighboring regions and intensify its anti-American alliances. Moscow's policy will remain assertive and President Dmitry Medvedev may even seek to prove his Greater Russia credentials by heating up one or more conflict points with the U.S. or the EU. The list of disputes expands almost every week and includes such contentious questions as the U.S. missile defense shield, the CFE (Conventional Forces in Europe) treaty, ballistic missile accords, the role of the OSCE (Organization for Security and Cooperation in Europe), NATO enlargement, and energy security.

For the Kremlin the birth of new democracies in former communist territories presents a long-term threat to Russia's strategic designs. Independent democratic governments invariably seek membership in NATO and the EU in order to consolidate the reform process and provide permanent security and the assurance of state sovereignty. For Moscow, such steps undercut its influences in neighboring countries, shrink its regional power projection, and retard its ambitions as a revived superpower. Russia feels more confident in realizing its aspirations where its neighbors are either predictable authoritarian states, isolated countries with populist governments, or weak states that are internally divided and therefore cannot qualify for NATO or EU membership.

The Balkans are useful for Moscow in disrupting democratic expansion in the wider European theater and injecting the Kremlin's corrupt business practices and its disregard for the rule of law. Serbia is a valuable bridgehead to further its economic and political interests, especially through the expansion of monopolistic energy networks. The U.S. and the EU need to develop a more united and resolute strategy in dealing with Russia particularly on issues that are central to Allied interests, such as security, stability, democracy, and international integration throughout the Balkans. Moscow exploits weakness and division but ultimately respects strength and steadfastness.