

versione italiana

Change is in the air in Kosovo. After twelve years of corrupt rule by former Kosovo Liberation Army (KLA) leaders change may be coming. On February 3rd, four months after parliamentary elections, the Hope for Change coalition took office. Vetevendose's (Self-Determination, VV) and the League of Kosovo Democrats' (LDK) victory flowed from public dissatisfaction with the incompetence and corruption of the previous KLA-dominated governments. Strong support from youth, professionals, urban areas and the diaspora put VV on top, while LDK's loyal base rallied in support of the party Kosovo's iconic first president, Ibrahim Rugova, founded. While turnout was higher than in the previous election, it nevertheless remained below 50%, a reflection of the population's apathy and cynicism.

Hours after taking office, Albin Kurti, the new prime minister, signaled the coalition's top priority will be domestic issues. He pledged to clean up corruption, reduce the size of the public sector in the economy, reform the failing healthcare and education sectors, establish a development fund, lift female and youth employment and provide better market access. Kurti also announced he will introduce three-month compulsory military service, a move Kosovo's main Serbian party (and its sponsors in the Serbian government) will oppose and for which Kosovo lacks the money.

Achieving these goals will depend to a large extent on cooperation among the two coalition partners, Kurti's VV and the LDK. The latter is a reluctant partner and not keen on Kurti's anti-corruption agenda. LDK is happy to be back in power and eager to resume the corrupt practices of its past partnership with the PDK (Kosovo Democratic Party, founded by core KLA leaders).

Sustained pressure from the European Union (EU) and the U.S. will be important to VV efforts to tackle corruption seriously.

On foreign policy, Kurti intends to shift emphasis away from seeking to “normalize” relations with Serbia to prioritizing integration into the EU. He will look primarily to Germany to be Kosovo's promoter inside the EU while also strengthening the relationship with the U.S. Kurti will show a colder shoulder to Serbia than Hashim Thaqi, Kosovo's president, and has made clear he is in no hurry to resume the dialogue with Serbia that since 2013 the EU has mediated. Kurti likewise made clear that he will take over as Kosovo's point man in the dialogue from Thaqi, the former KLA chief and PDK founder.

Whether Kurti's government lasts and is successful will depend on how well the coalition of two parties with divergent histories and interests cooperates, success in fulfilling key pledges (tackling corruption, improving the social and economic situation and protecting Kosovo's core international interests), and firm and sustained EU and U.S. support. If Kurti does no more than

restore public trust in the government, he will set the country on a new path toward a better future.

#### The Rise of Self-Determination

Ironically, international incompetence, interference and even corruption, not purely domestic issues, was primarily responsible for VV’s emergence. Kurti formed the movement in 2010, largely in protest against the “colonial” actions of Kosovo’s western friends and the international missions established by the UN (UNMIK) and EU (EULEX) to channel assistance and advice to the new state. Kurti also criticized them for supporting Kosovo leaders he accused of corruption and war crimes. Furthermore, he rejected negotiations with Serbia that the U.S. and EU pushed on Kosovo beginning in 2011. They were, he charged, unfair and that the internationals compelled Kosovo to agree to concessions that compromised its interests.

Kurti’s criticisms were not without foundation. While the UN sent its “A Team” to establish UNMIK, it soon replaced it with cadres of UN careerists more interested in the high pay and perks than in their mission. They often found employment for friends and family in the large UN mission and some even engaged in corrupt actions.

Meanwhile, the U.S. and EU largely forgot about Kosovo, especially after Al-Qaeda’s rise and U.S. invasions of Afghanistan and Iraq. In Prishtina, western ambassadors, particularly those of the U.S., looked the other way at the corruption of Thaqi and his “Pronto clan” in return for an understanding that they would maintain stability. That was a particular concern to EU and U.S. envoys worried about their careers after the massive March 2004 unrest that swept the country, blindsiding complacent international missions.

Public support for VV grew gradually, despite Kurti’s early anti-western rhetoric, support for reunification with Albania and for a socialist economy. His core supporters were young people, especially in the universities and among professionals.

Support increased because of the failure of a succession of corrupt governments to improve living standards; VV’s gradual shift away from its more radical agenda to one focussing on bread and butter issues creating more jobs for young people, including woman; reforming the health care and education sectors; and, because Kurti ceased calling for integration with Albania. His bow to Kosovo’s U.S.-designed flag the moment he became prime minister made manifest that change, sincere or not.



### The Struggle to Form a Coalition

The two largest opposition parties in the previous Assembly — the LDK and VV — campaigned independently on platforms of change and reform even though their core agendas diverged. In the October 6th election, they took more than 50% of the vote, with VV edging out LDK. Within hours, their leaders committed to forming a coalition government quickly.

The two leaders agreed on their joint program over a weekend. But the effort to complete a coalition deal broke down over the division of power. Mustafa insisted, first, that LDK agree to support his candidacy for Kosovo’s presidency when Thaqi completes his mandate in 2021. When Kurti conceded, Mustafa added another demand: the parliamentary speaker’s post. This after LDK votes helped to elect to that position one of Kurti’s deputy chairmen. Kurti firmly rejected Mustafa’s demand and for weeks the talks stagnated.

That prompted EU representatives and the U.S. ambassador to engage. They urged compromise. A budget needed to be passed, tariffs lifted on Serbian and Bosnian goods, and the dialogue with Serbia to resume.

Meanwhile, public opinion began to sour on the two parties, raising the risk that voters would punish them if new elections became necessary. That brought Kurti and Mustafa back to the table.

Over the first weekend in February, they found a formula for compromise.

Kurti gave up the Assembly speaker plus the powerful ministry of interior. Control of that ministry will enable LDK to blunt investigations against its own politicians. In return, Mustafa conceded the foreign ministry and dropped his demand (at least for now) that VV support him for president in 2021. Kurti and Mustafa also left open whether LDK will give up the Assembly speakership then if Mustafa becomes president. The compromise works but is politically risky. Leaving those questions unresolved leaves open the door to a political crisis in the coalition after only one year in power.

#### It Takes Two to Tango

Kosovo’s governments since its independence in 2008 have not enjoyed long lives. The Hope for Change coalition may not either. Not because of the looming issue of whether Kurti will support Mustafa’s bid for president next year. But because Kurti’s firm commitment to tackle corruption is certain to collide with LDK interests. When it was in government previously, LDK showed little hesitation in packing ministries and public enterprises with patronage appointments, signing no-bid contracts, and the like. Mustafa wants to return to “business as usual.” LDK ministers will seek to pursue their own agendas regardless of the prime minister’s policies.

There is opposition to Mustafa among younger LDK cadre, however. That prompted Mustafa disingenuously to copy VV’s anti-corruption rhetoric during the campaign. Furthermore, he recognized the LDK’s loss of popularity among the public and did not stand for election himself. Instead, he installed a young, articulate and reformist U.S.-educated lawyer, Vjosa Osmani, at the top of the party’s election list. That Osmani had led the party’s “Young Turks” who had earlier sought to oust Mustafa and the Old Guard did not seem to matter.

Mustafa’s move largely paid off. LDK finished a close second to VV and only Kurti won more votes than Osmani. However, according to LDK sources, Mustafa’s expected to win the elections and thus secure the posts of prime minister and Assembly speaker. That would give LDK greater authority, more control over the government’s agenda, and be well-positioned to block Kurti’s efforts to curb corruption. In other words, LDK officials would be able once again to enrich themselves at the public’s expense.

According to an LDK source, Mustafa responded to VV’s victory by helping NISMA, a small party of KLA leaders who broke with Thaqi, across the five percent threshold required to enter parliament. He did so by reportedly intervening (the LDK source claimed “money changed hands”) with the Central Election Committee to change votes. That reduced VV’s advantage over LDK in deputies from four to one, thus weakening Kurti’s hand in coalition talks.

In those negotiations, Mustafa regained the Assembly speaker post in exchange for the foreign ministry. But that provoked turmoil in the LDK, according to media reports. Osmani opposed the exchange, preferring to become foreign minister, a post for which she is eminently qualified. Mustafa reportedly overruled Osmani and she reluctantly took the Assembly post. Mustafa then moved quickly to isolate her in the LDK leadership, expanding the number of deputy chairmen from three to eight by adding five allies. While Mustafa reduced Osmani’s threat to him, he may have tarnished LDK’s image with the EU and U.S. With an international law education, Osmani enjoys international respect and trust. Indeed, they preferred she rather than a VV official become foreign minister. Though VV has moved to the center and largely abandoned its anti-western views, western chanceries remain reserved. The coalition’s ability to accomplish much of its ambitious program thus may well depend on the success of reformist LDK politicians in keeping the Old Guard in check.



The new government

### A Smaller Government

The coalition agreement reduced the number of ministries from 21 to 15 (though Kurti had originally proposed 12). VV and LDK each have six and non-majority parties three, including two to the Serb List (SL), a party that refuses to accept Kosovo’s independence. SL announced that it would join the government but not support it. Opposition deputies, led by the PDK, sharply

criticized Kurti for not honoring his pledge to keep SL out of the government — though it is a practice which PDK had followed previously. (The Constitution obliges the government to name ministers from the largest non-majority party.)

Kurti also sharply reduced the number of deputy ministers from 80 to 33. This will save the treasury millions of Euros. Shrinking the government is the coalition’s first important achievement and it resonated well with the Kosovo public.

Mustafa remains outside the government in his position as LDK chairman whence he will pull the strings on LDK’s ministers. LDK received the first deputy prime minister, a position occupied by one of Mustafa’s closest allies. Likewise, the VV deputy prime minister is close to Kurti. VV holds key ministries in the areas of foreign relations and the economy, as well as the ministry of justice. LDK holds power ministries (defense and police) as well as ministries that provide ample opportunity for patronage appointments (education) and stealing money from infrastructure contracts, textbooks and land sales, a practice in which LDK officials have considerable experience.

A third of the cabinet are women, a major step forward for gender equality. The female ministers include those for the powerful ministries of Justice, Economy, and Education.

Integration Trump’s Dialogue... And Partition

Kurti pledged to make integration into the EU a priority and committed to resuming dialogue with Serbia while making clear that he, and not President Thaqi, will lead it. Kurti will take a tougher approach to Serbia and the dialogue, declaring he will insist on a relationship of equals with Serbia, including political, international and economic reciprocity. Furthermore, he pointedly declared that a third level mechanism for majority Serb municipalities, the proposed semi-autonomous Association of Serb Municipalities (ASM), would not have executive power. Belgrade has pressed for six years for an ASM with such authorities but that was rejected by Prishtina and the U.S., which feared an association with executive authorities would lead to a dysfunctional state, as did Dayton’s creation of Republika Srpska in Bosnia.

Furthermore, and of greater importance, Kurti firmly ruled out exchange of territory and partition. A leak in Prishtina indicated that Thaqi and Vucic had agreed to “border changes” in secret meetings abroad in 2018. That prompted strong reactions from Germany, the UK, the U.S. and Croatia plus the Kosovo public because of concerns they would provoke efforts to change other contentious Balkan borders and set off another round of violence.

According to a source in Thaqi’s office and an American adviser, Thaqi and Vucic reached an agreement in late 2018 ready for signature. It included the exchange of territory in northern

Kosovo and southern Serbia. In addition, Serbia would recognize Kosovo’s independence *de facto* by dropping its opposition to UN membership while not formally recognizing its former province *de jure* — immediately.

The agreement hinged on both leaders selling it to their publics, something akin to mission impossible in Kosovo. And second, on Russia not vetoing Kosovo’s admission to the UN. According to Prishtina sources, Vucic assured Thaqi Putin would accept any agreement that was acceptable to Belgrade. Because Russia clearly benefits from instability in the Balkans, many in Kosovo and in the West are skeptical Russia would support the Thaqi-Vucic agreement. The suspension of the dialogue in November 2018 because Kosovo imposed tariffs on Serbian goods closed the door to the agreement’s signing — in Brussels.

The meetings that led to the agreement were secret and were held reportedly in Albania, Slovenia, Germany, Sweden and Italy. Then EU High Representative for Foreign and Security Policy Federica Mogherini not only encouraged and facilitated these meetings, but participated in them, according to authoritative Serb, Kosovo and international sources. Mogherini was fully aware of the agreement’s contents and apparently did not share her knowledge with EU capitals.

Revelation of Mogherini’s role tarnished badly her image, and trust in the EU, in Kosovo. That continues to affect Prishtina’s view of the EU to this day, despite the latter’s new leadership.

#### Trump Barges In and Complicates the Dialogue

The suspension of the dialogue in 2018 halted progress toward normalization and tarnished EU diplomacy in the Balkans. Moreover, EU attention drifted away because of Brexit, the election of new EU leadership, and the deepening crises in the Middle East. Bruxelles watched from the sidelines during the coalition negotiations but quickly became active after Kurti became prime minister. Senior EU officials made lifting the tariffs and resuming the dialogue their first item of business in meetings with the him. On February 10, German Chancellor Merkel invited Kurti to Berlin, pledged to support Kosovo’s efforts to move toward EU membership and stressed the importance of quickly resuming the dialogue.

But a new development also provoked that quick EU response: a challenge from Washington. President Trump decided to re-engage in the Balkans, seeing an opportunity for a quick and easy success to exploit in his re-election campaign in the aftermath of his diplomatic failures in North Korea, Syria, Iran, Iraq, Israel, and Venezuela.



Richard Grenell

Late last summer, Trump designated Richard Grenell, his ambassador to Germany, as Presidential Special Envoy to Serbia and Kosovo, to get a deal resolving the Kosovo-Serbia problem. Trump’s other aim was to humiliate the EU.

Trump’s strategy is to employ economic and trade incentives coupled with the promise of U.S. investment to bring the sides together again and to produce an agreement to “normalize” their relations quickly. By the end of February! As an aside, Grenell suggested Washington would accept partition or a change of borders if the sides agreed, undercutting his claim that the U.S. initiative was strictly economic.

Grenell visited Belgrade and Prishtina in September. Thaqi and Vucic and their colleagues listened respectfully but made no commitments. Indeed, Vucic and Grenell jostled angrily over Trump’s demand that the “deal” be finished before spring.

Neither Trump nor Grenell advised the EU and European counterparts of U.S. plans and Grenell stated publicly that he had neither consulted with nor reported on his engagement with Belgrade and Prishtina to EU counterparts.

In fact, neither Belgrade nor Prishtina are eager to begin talking again. Until a few days ago, Kosovo did not have a government and the Serbian government faces parliamentary elections in April. With elections looming, any agreement with Prishtina that even hints at recognition is

anathema to Vucic because it risks providing powerful ammunition to Serbian nationalists who believe Vucic is quietly giving up Kosovo.

Meanwhile, Grenell announced in January the signing by Serbian and Kosovo representatives of Letters of Intent to resume air service between Belgrade and Prishtina after a 21 year hiatus. The service is tentatively scheduled to begin in June. And in early February, Grenell opened talks aimed at restoring rail service but no agreement has been announced. Vucic may have pulled back because of the April elections.

Grenell's actions re-energized EU diplomacy. New EU Foreign Policy and Security Chief Borrell made a quick visit to Prishtina and then Belgrade in late January even before Kurti and Mustafa signed the coalition agreement. Borrell came to reassert EU control over the dialogue.

Nevertheless, he claimed he had no concerns about the renewed U.S. engagement and maintained that the EU and U.S. shared similar goals and would work together.

Finally, the EU clearly overruled Foreign and Security Policy chief Borrell's objections to naming a special envoy for Kosovo and Serbia. Germany had pressed for the post late last year, apparently concerned Borrell previous job as Spain's FM inclined him to favor Serbia. Spain is one of the five EU states not to recognize Kosovo. In what seemed a compromise, Germany accepted Milorad Lajcak, Slovakia's foreign minister, as the EU special envoy. Lajcak has considerable experience in the Balkans and has a personal relationship with Vucic but the ambitious Slovak diplomat probably recognizes that Berlin has considerable influence over his prospects for an even more prestigious EU position and will thus be careful to hew closely to German positions. The naming of a high level U.S. special envoy, Trump's ambassador to Germany, clearly contributed to Bruxelles's decision to choose Lajcak, expected to be announced this week.

#### The Challenges Ahead

Large obstacles lay in the Kurti's path as he goes forth to clean up the mess he inherited. His coalition is burdened by huge expectations from a public angry at the years of corrupt and incompetent governance, stagnant living standards and failed institutions. Kurti's biggest immediate challenge will be to show progress in stimulating the country's economy, creating more jobs and raising the standard of living. He has a big mountain to climb: employment is officially 31%, wages are low, the social safety net is very weak and 65% of the economy is in the government's hands. Getting rid of the hundreds of people in patronage jobs in the ministries will also be a challenge.

Another serious challenge is to halt the exodus of Kosovo's best and brightest. In the past five years, more than 200,000 people have left. Most are not the poor and uneducated, but people with

skills, education and good jobs. The talent Kosovo needs to grow its economy.

A fiercely hostile opposition will not make Kurti’s job easier. PDK has signaled it will give no quarter by walking out when voting took place for the prime minister as well as for the Assembly speaker, by refusing to participate in meetings of the Assembly presidency, and by fiercely criticizing the government on a daily basis. It will not be a loyal opposition.

Nor will Srpska List. The Constitution obliged Kurti to bring SL into his cabinet. The two SL ministers made clear, however, that they do not support the government. Beholden to Serbian President Vucic, they will inject Belgrade into cabinet decision-making and provide Vucic with inside information on the workings of the Kurti government.

Furthermore, the education and health care systems, primary targets of Kurti’s reformers, will not easily lend themselves to change riven as they are with incompetence and corruption. Neither received the attention from previous governments that a new and struggling state deserved.

Finally, strong pressure from the EU and the U.S. to move swiftly to resume the dialogue, in the first instance by lifting the tariffs, and to normalize relations with Serbia could force Kurti to divert attention away from his primary domestic agenda and damage their mutual relations if he does not.

The Beginning of the End or the End of the Beginning?

Many questions hover over the coalition. Will it last four years? Will Kurti be able to keep his primary focus on domestic challenges and resist international pressure to resume the dialogue with Serbia quickly. Will he be able to safeguard Kosovo’s core interests in the dialogue? Will LDK implement the joint program or pursue its own agenda? Will LDK sabotage Kurti’s anti-corruption efforts?

Because Vucic is not ready to resume dialogue, despite his public statements, dialogue is unlikely to resume before mid-summer and possibly even later. Both he and Kurti will resist doing so this spring.

In Prishtina, Mustafa will have to play his cards carefully to retain the benefits of being back in government. While he has some leverage over Kurti, Mustafa nevertheless will have at least to make a show of implementing the coalition’s program and press his ministers to restrain the exploitation of their posts to enrich themselves and their friends. Going into coalition with the PDK is LDK’s only realistic option to hold on to power if the coalition collapses. But new elections are a risky option while LDK’s public image remains spotty.

That President Thaqi has dominated the foreign policy for a decade will also be a challenge. Thaqi will not easily yield the playing field to Kurti and will seek to find a way to continue to represent

Kosovo in the dialogue. However, in his early comments, Thaqi has held out an olive branch by declaring he seeks to cooperate in advancing Kosovo’s foreign policy agenda. Kurti enjoys at least one advantage: the major EU actors and the U.S. neither respect nor trust Thaqi. Cooperating with Kurti will be a real test of Thaqi’s statesmanship.

Looking ahead, only one thing is certain. Kurti will neither succeed in reaching all his goals nor keep all his supporters happy. With luck, he will curb some corruption, and improve the economy and launch serious reforms in the healthcare and education sectors.

His greatest and long-lasting success would be, however, restoring trust in the government.

Kosovo’s political-social culture is a powerful obstacle to reform and change. While Thaqi and his “Pronto clan” governed for so long because they faced no coherent opposition, they benefitted from a culture of public passivity and fatalism. Its origins lie deep in the Ottoman and socialist Yugoslav past: this mindset led many to accept the situation but believe at some point, their turn would come to feed at the public trough.

One of Kurti’s core messages is that the task of the government is to serve the people, not the opposite. If Kurti succeeds in changing the public’s mindset so that in future it expects its government officials truly to serve the voters and casts aside its passivity if they do not, he will have achieved a great deal. And perhaps he will come to represent the end of Thaqi’s corrupt, authoritarian governance and the beginning of a more democratic order.