



POLICY NOTE

Number 04 – June 2012

The Kosovo-Serbia Dialogue and Shifts in the Political Leadership in Serbia: Ready to Resume, but not Prepared for Progress?

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Summary Points:

- A. Compared to pro-European former Serbian President Boris Tadic, the ultra-nationalist current Serbian President Nikolic is likely to pose additional challenges for the EU-facilitated Dialogue.
- B. Nikolic's close economic ties with Russia leave many questioning how committed he is to the European Union and EU accession process.
- C. Nikolic has promised that if EU accession is conditional on accepting Kosovo's independence, he will turn away from Europe immediately, revealing that the Kosovo issue will continue to be a decisive factor vis-à-vis his party and voting base.
- D. His reliance on a nationalist Serbian voting base makes it unlikely that Nikolic will make additional concessions on agreements that are indicative of further independence for Kosovo.
- E. It is clear that future rounds of Dialogue will involve high-level officials, moving the dialogue closer to resembling relations between the two countries.
- F. It is not clear whether Nikolic's early willingness to engage again in a Dialogue with Kosovo is foreshadowing noncooperation in the future, wherein early cooperation may counter future claims that Serbia is a non-cooperative player in the Dialogue.
- G. To achieve the goals for a renewed Dialogue – reaching agreements on telecommunications and energy, establishing Serbian and Kosovo offices in each state, implementing previous agreement, and working to find a solution for the north of Kosovo – the European Union should begin the dialogue process as soon as Serbia has established their new government and should present clear cut objectives to both parties.

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Background

Kosovo and Serbia began a direct Dialogue in March 2011, under the facilitation and mediation of the European Union. The EU-facilitated Dialogue between Kosovo and Serbia has sought technical solutions and agreements that promote neighbourly relations between Kosovo and Serbia and help normalize the situation in the northern Kosovo.

Acting as a neutral mediator and leveraging the benefits of European integration, the EU hoped to help Kosovo and Serbia find lasting policy solutions for the multi-ethnic northern Kosovo and the relations between Kosovo and Serbia. However many challenges, both technical and political, prevented the successful implementation of agreements that have been reached so far. Parallel structures and institutions in the north, ethnic tensions, and domestic pressures on politicians in both Belgrade and Prishtina have ignited conflict over the northern border and have prevented the normalization of relations between Serbia and Kosovo. Regardless of the underwhelming successes regarding the implementation of agreements, a number of agreements were reached

between March 2011 and early 2012, and the EU hoped to prompt the successful implementation of previous agreements as well as reach new agreements as Serbia and a pro-European Tadic moved towards EU accession talks.

It has been over four months since Kosovo and Serbia representatives have engaged in the EU-facilitated Dialogue, with no intention to continue until a new Serbian government is in place. However, many are wondering whether the prospects for a renewed EU-facilitated Dialogue between Serbia and Kosovo will decline under new Serbian President Tomislav Nikolic, who stands in stark contrast to pro-European former Serbian President Boris Tadic. The latter, therefore, was continuously willing to make 'blurred' concessions

regarding Kosovo in order to stay on the fast-track towards EU membership. The EU's leverage over the Serbian government was largely conditional upon maintaining a pro-European Belgrade and a President who was willing to compromise over the Kosovo issue in exchange for progress in the EU accession process. Now the future of the Kosovo-Serbia Dialogue is quite a bit murkier after Tadic's surprise upset in the Serbian Presidential elections, and the EU has already started to adjust and lower their expectations for the new president.

Originally a long-term member and once MP for the Serbian Radical Party (SRS), a 2007 dispute with then party lead, Vojislav Seselj, over Serbia's relations with the EU, wherein Nikolic supported Serbia's EU aspirations and accession, resulted in Nikolic's 2008 resignation from his post as President of the National Assembly of Serbia and prompted him to found the Serbian Progressive Party (SNS), pulling from the ranks of the SRS. The SRS remained a party of Serbian nationalists who were pro-Russian, and anti-European, whereas Nikolic and his new Serbian Progressive Party remained largely nationalistic but more pro-European than their parent party. In May 2012, Nikolic led the Serbian Progressive Party in the parliamentary elections while also securing the win in the May presidential election against centre-left and strongly pro-European Democratic Party (DS) incumbent President Boris Tadic.

I. Playing Both Sides

A. The Ultra-nationalist, Soviet-Friendly, Pro-European?

One of the biggest challenges in moving forward for both Kosovo and the European Union is to detect where Nikolic stands. This was a problem for Kosovo the first time around as well. Throughout, Serbia has seemingly played the EU's game while preparing strategies domestically that could counteract the progress in the Dialogue, prevent signs and symbols of Kosovo's statehood (such as the establishment of international-seeming borders), and maintain their parallel structures in and hold on the north.

Unfortunately, this game may become even more challenging for Kosovo now that Nikolic has stepped into the Presidency, as allegiant to the Serbian nationalist populace, economically dependent on Russia (particularly now that the EU and Serbian economy have seen exceedingly hard times), and yet promising of EU integration (as long as it is not condition on Serbia's recognition of Kosovo). Given the disapproving nationalist sentiment that Tadic met with as a result of his call to dismantle parallel structures and barricades in the north, Nikolic's aspirations of re-election and his reliance on Serbian nationalists for support make him less likely to make real concessions regarding Belgrade's hold over the north of Kosovo and particularly regarding other agreements that would be indicative of Kosovo's statehood and institutional separation from Serbia. Moreover, the narrow victory of Nikolic in the presidential elections and his aspirations of re-election will likely affect his stance on Kosovo and in the Dialogue.

B. East vs. West

Nikolic's close ties with Russia have left many wondering about the sincerity of his commitment to the European Union and aspirations for Serbia's European integration. As late as May 2007, Nikolic advocated for Serbia's convergence with Belarus-Russia super-state which could serve as an Eastern counterbalance to the Western allied powers (the "hegemony of America and the European Union"). However, the Nikolic, who was in government with Milosevic during the 1999 NATO bombings and was nicknamed "the Undertaker," has "rebranded himself as a populist pro-European champion of the downtrodden".¹ It seems, however, that Nikolic is playing both sides, conceding in a debate in mid-May that he "support[s] a two-door policy" wherein Serbia would maintain close ties with both the EU

and Russia.² While Nikolic's formal inauguration took place on June 11 under an EU flag, with the EU anthem, and with an introduction by EU enlargement commissioner, Stefan Fule,³ his first international visit as Serbian President-elect was in Russia on May 26. In his first meeting as President with Russian President Vladimir Putin, Nikolic told Putin that Serbia will not give up its claim to Kosovo for EU membership. Nikolic and Putin confirmed their partnership and spoke of the two nations as "spiritual brothers".⁴ During the meeting, Putin promised Nikolic \$800 million in loans, despite Nikolic's assurances that he will 'order [the] country according to the rules that exist in the EU' as long as Serbia need not recognize Kosovo.⁵ Is Nikolic playing fast and loose with Serbia's alliances? While Nikolic wants Serbia to join the EU, he "favors economic coordination with Russia instead of Western Europe".⁶ Already having achieved visa liberalization, the EU's integrated economy was one of the main attractions for Serbia (who obviously does not have military or defensive aspirations to join the Union given their repeated refusal to join NATO).

II. Prospects

Nikolic's reliance on a particularly nationalistic voting base, his strong economic relationship with Russia and waning reliance on the European Union, and his tough stance on Kosovo do not bode well for

² Ibid.

³ Malic, Nebojsa. (17 June 2012). Serbia's New President Tomislav Nikolic Chooses Empire. *Global Research*. Retrieved from <http://www.globalresearch.ca/PrintArticle.php?articleId=31462>

⁴ Turkish Weekly. (28 May 2012). Belgrade Pays Homage to Moscow on Kosovo Claim. Retrieved at <http://www.turkishweekly.net/news/136734/belgrade-pays-homage-to-moscow-on-kosovo-claim.html>

⁵ Ibid.

⁶ EuroDialogue. (20 May 2012). New Serbian President Favors Putin, Opposes NATO and Independent Kosovo. Retrieved at <http://euroDialogue.org/New-Serbian-President-Favors-Putin-Opposes-NATO-and-Independent-Kosovo>.

¹ Bilefsky, Dan. (20 May 2012). Nationalist Wins Serbian Presidency, Clouding Ties to the West. *NY Times*. Retrieved from <http://www.nytimes.com/2012/05/21/world/europe/serbian-presidential-elections.html>

Kosovo's nor the EU's aspirations in the Serbia-Kosovo Dialogue. On the other hand, some have suggested that his nationalistic history may allow him to act more freely pro-European and his willingness to move from technical to high-level negotiations suggest that Nikolic may in fact bring about more progress in the Dialogue than Tadic. However, while there are conflicting perspectives over the impact of Nikolic's presidency on the Serbia-Kosovo Dialogue, it is unlikely that nationalistic and increasingly Eastern-leaning Nikolic (at least economically), as compared to the pro-European Tadic, will make any great concessions to the EU or Kosovo that could truly help normalize relations and the situation in the north.

A. Implementation of previous agreements

Nikolic's respect for the Dialogue process and the prior agreements resulting from the process appears to be low. Nikolic has said that before honoring any of the agreements already codified in the Dialogue process, he will need to review each of them,⁷ assuming unilateral power over the fate of agreements that were previously seen as major multilateral achievements by Kosovo, Serbia and the EU. While he has said that he supports those agreements which "are not against the constitutional order of Serbia and are not harmful to Serbian citizens" his call for clarifications over "some critical points" in the agreements does not bode well for the future of the agreements that were codified during Tadic's presidency.⁸

On the other hand, the EU has provided a list of tasks for the renewed Dialogue process which includes the acceptance of previous agreements among others. According to cabinet sources from the EU High Representative for Foreign Affairs and Security Policy, Catherine Ashton, the EU is entering

the Dialogue process this time with a specific agenda. The agenda was crafted after Nikolic expressed willingness to resume cooperation in the Dialogue, and includes the following list of tasks that should be completed by the end of 2012⁹: a) the implementation of all previous agreements reached in Brussels b) the development of new agreements on energy and telecommunications c) the abolition of parallel structures in the north of Kosovo d) the opening a Kosovo office in Belgrade and a Serbian office in Prishtina e) the improvement of Kosovo-based services in the north of Kosovo and specifically for Kosovo Serbs.

B. Serbian Nationalism and Position on Kosovo

Nikolic's election was, in part, due to his tough and unyielding stance on Kosovo. A critical differentiating factor between Nikolic and Tadic was and still is their willingness or lack of willingness to make Kosovo-related concessions in order to progress with the EU accession process. Tadic's failure to win re-election revealed, in part, the dissatisfaction of the Serb population, of course surrounding the current economic state, but also surrounding his call to remove parallel structures in the north (which deeply upset Serb nationalists). Additional 'concessions' regarding border management, freedom of movement and trade of Kosovars and Kosovar goods into Serbia, may also have helped the election of Nikolic. In addition, the election of Nikolic suggests that he, in an effort to maintain his nationalistic voting base and not fall into the same trap that lost Tadic the election, will tend to avoid a Dialogue process that could make him guilty of leniency regarding Kosovo or of sacrificing Serbian-national structures in the north. Indeed, on June 6, Slavenka Drakulic stated that

⁷ UPI.com. (15 June 2012). Nikolic: Kosovo recognition not required. Retrieved at http://www.upi.com/Top_News/World-News/2012/06/15/Nikolic-Kosovo-recognition-not-required/UPI-60581339789715/

⁸ Ibid.

⁹ B92. (20 June 2012). Serbian president ready to meet with Kosovo counterpart. Retrieved at http://www.b92.net/eng/news/politics-article.php?yyyy=2012&mm=06&dd=20&nav_id=80853

Serbia's biggest problem under Nikolic would be the Kosovo issue.¹⁰

However, Kosovar optimists have argued that Nikolic's history as an extreme nationalist and participation in Serbia's government during the Milosevic provides him with the leeway to take an increasingly pro-European stance without the threat of appearing un-nationalistic. According to this argument, his long-standing identity as an ultra-nationalist will allow him to maintain his popular nationalistic voting base, particularly without another nationalist competition (which Tadic is certainly not).

C. Who will be at the table?

Who will be sitting at the table in Brussels is one of the biggest issues related to the continuation of the Dialogue. While there has been no EU-mediated Dialogue between Kosovo and Serbia in the last four months, Nikolic says that he will try to normalize ties with Kosovo¹¹ and is ready to resume the EU-administered negotiations that were happening under Tadic.¹² Nikolic has announced that he himself is ready to meet with all Kosovo officials except for Thaci.¹³¹⁴ Will the Dialogue go from "technical to a top level meeting"?¹⁵ Indeed, Nikolic

has said that the continued Dialogue process should take place between either the President or Prime Minister of Serbia and of Kosovo. Rather than sending low-level bureaucrats to represent Kosovo and Serbia in the EU-facilitated Dialogue process, the Dialogue may now include high-profile political actors from either side. On one hand, this suggests that Nikolic may take the Dialogue even more seriously than under Tadic and the increase of power and real political representation at the table is illustrative of *international* relations. However, on the other hand, this may mean that Serbia will be more prepared to play political hardball.

On the Serbian side, it is increasingly likely that Tadic and/or Dacic will be the ones to engage in the Dialogue, as the most likely candidates for Serbian Prime Minister. The Democratic Party, with Tadic as its leader, won more votes in parliament than Nikolic's Progressive Party and, while without the majority seats in parliament, has formed a ruling coalition with the Socialist Party making Tadic the most poised to gain control of the government and win the position as Serbia's next Prime Minister.¹⁶¹⁷ In fact, having Tadic in control of the Dialogue is a particularly strategic move for Nikolic, as the populace will then have Tadic to blame and hold *directly* responsible for any concessions made regarding Kosovo at the bargaining table, which could tilt future elections (against Tadic) in Nikolic's favor even if these concessions are made under Nikolic's presidency. Indeed, Tadic has served as Nikolic's scapegoat in the past, when Nikolic has refused to attend the Srebrenica commemoration (which he has denied as genocide to the dismay of

¹⁰ Lazar, Maia. (25 June 2012). Serbia Faces the Future. *European Dialogue*. Retrieved at <http://euroDialogue.org/europe-east/Serbia-Faces-the-Future>

¹¹ Radio Free Europe Radio Liberty. (15 June 2012). Nikolic Tells Neighbors He Won't Be an Obstacle. Retrieved at <http://www.rferl.org/content-serbia-kosovo-nikolic/24615805.html>

¹² Ibid.

¹³ B92. (20 June 2012). Serbian president ready to meet with Kosovo counterpart. Retrieved at http://www.b92.net/eng/news/politics-article.php?yyyy=2012&mm=06&dd=20&nav_id=80853

¹⁴ NewEurope Online. (20 June 2012). EU to drag Nikolic into Belgrade-Pristina dialogue? Retrieved from <http://www.neurope.eu/article/eu-drag-nikolic-belgrade-pristina-Dialogue>

¹⁵ B92. (20 June 2012). Serbian president ready to meet with Kosovo counterpart. Retrieved at

http://www.b92.net/eng/news/politics-article.php?yyyy=2012&mm=06&dd=20&nav_id=80853

¹⁶ Radio Free Europe Radio Liberty. (28 May 2012). Tadic Poised To Become Next Serbian Prime Minister. Retrieved at <http://www.rferl.org/content-serbia-tadic-nikolic/24595260.html>

¹⁷ Vasovic, Aleksandar. (22 May 2012). Serbia's Tadic in running for PM. *Chicago Tribune*. Retrieved at http://articles.chicagotribune.com/2012-05-22/business/sns-rt-serbia-governmentl5e8gmczb-20120522_1_socialist-party-parliamentary-election-prime-minister

Bosnia, Croatia, Kosovo, and the EU) as Tadic attended last year, making it unnecessary.¹⁸

On the Kosovo side it is more likely that we will see President Atifete Jahjaga, as opposed to Prime Minister Thaci, who Nikolic has already refused to meet with as part of a Dialogue process. However, international observers believe that there is a possibility that Thaci will enter the Dialogue if Tadic is indeed chosen as Prime Minister and becomes the lead negotiator on the Serbian side.¹⁹

D. New Agreements

Plans to reach agreements (over energy and telecommunications) were made at the start of the Dialogue process, and again are aspirations of the EU and Kosovo for the continued Dialogue process. Before engaging with Kosovo and Serbia in the Dialogue process, it is critical that the EU set clear cut objectives and maintain its commitment to a technical dialogue despite the involvement of high-level political actors. Before engagement, Kosovo must set a clearly defined agenda that includes the main objectives that Kosovo hopes to achieve during the dialogue and clearly defined limits regarding the nature and extent of concessions that Kosovo will be willing to make to achieve these main objectives. Before engagement, Serbia should commit to not using the dialogue to achieve their political objectives or to increase the nationalist moral and voting base of the new president.

Conclusion

The European Union was not expecting a new Serbian President. This was made clear when Catherine Ashton and Cooper both realized that they

were not prepared to greet the new Serbian President during his first visit to Brussels. As such, the European Union is already behind in planning for a Dialogue that includes a Nikolic-led Serbia delegation. On June 11, EU Enlargement Commissioner Stefan Fule restated that visible and sustainable progress in relations with Kosovo should be a key priority for Serbia in their EU integration process.²⁰ Also EU Commission Chief Jose Manuel Barroso has said that “normalization of Serbia’s relations with Kosovo remains an absolutely central condition of moving to the next step [of accession talks].”²¹

Nikolic’s election has undoubtedly thrown a wrench in Kosovo’s and the EU’s plans for moving forward with the Dialogue. While some optimists believe that Nikolic’s ultra-nationalist past and use of Tadic as a scapegoat in EU negotiations, it is unlikely the Dialogue will proceed without turmoil and without increased difficulties for the EU and Kosovar delegations. The EU must move forward with a plan that allows Nikolic to maintain his domestic nationalistic support base at home while still facilitating agreements that can result in tangible gains for Kosovo over energy, telecommunications, and the establishment of a Serbian office in Kosovo and a Kosovar office in Serbia. Nikolic will not concede over status, and the EU must move forward with a plan in which the continued establishment of institutions and separate infrastructure can drive the tangible and institutional separation of Kosovo from Serbia for the practical benefit of citizens living in both states.

¹⁸ Tesfa-Yohannes, Athina. (12 June 2012). Serbia’s New Leadership: Can President Nikolic Lift Serbia? BilGESAM and Wise Men Center for Strategic Studies. Retrieved at http://www.bilgesam.org/en/index.php?option=com_content&view=article&id=515:serbias-new-leadership-can-president-nikoli-lift-serbia&catid=95:analizler-balkanlar&Itemid=140

¹⁹ B92. (20 June 2012). Serbian president ready to meet with Kosovo counterpart. Retrieved at http://www.b92.net/eng/news/politics-article.php?yyyy=2012&mm=06&dd=20&nav_id=80853

²⁰ B92. (14 June 2012). Nikolic: PM should head talks with Pristina. Retrieved at http://www.b92.net/eng/news/politics-article.php?yyyy=2012&mm=06&dd=14&nav_id=80748

²¹ UPI.com. (15 June 2012). Nikolic: Kosovo recognition not required. Retrieved at http://www.upi.com/Top_News/World-News/2012/06/15/Nikolic-Kosovo-recognition-not-required/UPI-60581339789715/

POLICY NOTES

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