



# Western Balkans Stability Monitor

**December 2018 Issue\***

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# Regional Overview

Instability across the region remained unevenly spread over the last month in the Western Balkans. While most of the countries of the region remained broadly stable, Bosnia-Herzegovina and Kosovo set themselves apart as pockets of real – or possible – instability. In the case of Bosnia, the risk of instability largely derived from the post-election challenge of forming ruling coalitions at different levels of government. The process of ethnic coalition building can be challenging enough at the best of times. However, this time around it is compounded by the lack of a legal basis for forming part of the Federation entity's Parliament (the upper House of Peoples), without which the Federation entity government cannot be formed. Yet this is somewhat of a 'catch 22' situation – without a Parliament and, indeed, government there is no institution with the clear prerogative to create the legal rules for forming the Federation's House of Peoples. In this issue of the Western Balkans Stability Monitor, we analyse, among other things, the likelihood of this problem being resolved, along with the wider outlook for government formation in Bosnia.

Meanwhile, Kosovo is in a different kind of predicament. Having struggled to cobble together a government after elections in 2017, for most of this year a major question mark has hung over whether the Haradinaj government has a majority in Parliament or not. In reality, the government lacks a functioning majority, but the opposition also lacks the numbers to topple it. It could limp on for months to come, but it could collapse at any moment. Meanwhile, the ruling coalition is engaged in internal conflicts and power struggles where yet again there is no sign of a clear winner on the horizon – merely more internal political 'bloodshed'.

On a regional level, the long standing 'name' dispute between Greece and Macedonia is slowly inching ever closer to resolution, holding out the prospect of laying to rest one of the longest – and arguably most pointless – quarrels in the region. Hurdles still remain on the path, but the winding down of the Macedonian 'name' saga is one of the few clearly positive developments on the regional agenda.

It also stands in sharp contrast to the rapidly deteriorating relationship between Belgrade and Pristina, which seems to be going from bad to worse. The 'Brussels dialogue' seems to be going nowhere very quickly and European officials seem to have little idea for how to bring it back to life. Rumours of behind the scenes manoeuvring to engineer a land swap – through peaceful or not so peaceful means – persist and add a further level of unpredictability and instability to the situation.

Most worryingly, whether in the case of Bosnia or Kosovo-Serbia relations, it is hard to escape the feeling that the international community, which until now has kept its hands more or less firmly on the wheel of the ship, has become distracted and decided to let the Balkan Titanic drift along on its own initiative.

# Albania

The stable political situation in Albania was only moderately punctured by student protests across the country over a plan to raise tuition fees and – likely passing – tensions with Greece following the shooting of a member of the ethnic Greek minority in Albania.

Trajectories		Outlook		
		1 month	6 months	12 months
Risk Dimension	War	Low	Low	Low
	Terrorism	Modest	Modest	Modest
	Government instability	Modest	Low	Low
	Civil Unrest	Moderate	Modest	Modest
	Ethnic Unrest	Moderate	Modest	Low



## Government Stability

Albania's government remains very stable, thanks to the strong majority which the ruling Socialist Party (SP) received in the 2017 Parliamentary elections and the firm grip which Prime Minister Edi Rama enjoys over both the party and the government.

Despite this, the government faced some modest instability at the end of October, when Interior Minister Fatmir Xhafaj resigned from the government. While an official explanation for his resignation was not given, Xhafaj had been the target of a long opposition campaign, demanding his resignation, after it was revealed that his brother had been convicted of drug trafficking in Italy. In May 2018, the opposition Democratic Party (DP) had published an Italian court verdict which showed that Agron Xhafaj, the Interior Minister's brother, had been found guilty of drug dealing and sentenced to seven year in prison.

Immediately after Xhafaj's resignation, Prime Minister Edi Rama nominated his own security advisor, former Albanian Army General Aleksander Lleshi, to the post of Interior Minister. However, President Ilir Meta refused to confirm the nomination initially, stating that he was not convinced of Lleshi's qualities for the to job. Rama accused Meta of violating the constitution. Meta eventually relented and approved Lleshi's nomination in the post of Interior Minister.

## Opposition Activities

The two main opposition parties in Albania, the centre-right Democratic Party (DP) and the centre-left Socialist Movement for Integration (LSI) continued their boycott of parliamentary life which began in September. The DP in particular continued with its efforts to expose what it claims are government corruption scandals and links with organized crime.

It is to be expected that tensions will periodically flare up between President Ilir Meta and the government of Prime Minister Edi Rama. Until his election to the presidency, Meta led the LSI,

which is currently led by his wife. The LSI is in opposition at present, having been in coalition with the SP prior to the 2017 Parliamentary elections.

Albanian students also organized protests against the government's decision to allow the country's state universities to raise tuition fees at the beginning of December. Thousands of students took part in the protests in the capital Tirana, as well as the towns of Elbasan, Durres and Korca, among others. Opposition parties gave their support to the protesting students. Prime Minister Edi Rama initially dismissed the student protesters as 'grade failers', but later appeared to back-peddle in the face of the student's persistence, suggesting that the Ministry of Education would call on universities to revise their fee hike. However, many observers sensed a wider anti-Rama undercurrent in the mood of the protests. The symbolism of the student protests was also important, given that they took place on the anniversary of the student protests on December 8, 1990, which helped to topple the Communist regime at the time.

## **Regional Relations**

Tensions between Albania and Greece spiked in November after an incident on October 28, when Albanian special police shot dead Konstantinos Kacifa, an ethnic Greek citizen of the country who was resisting arrest near the village of Bularat in southern Albania. Kacifa had previously shot at a police patrol in the village during celebrations of a Greek national holiday. Albanian police stated that instead of surrendering, Kacifa had opened fire on them later in the day. The killing sparked anti-Albanian protests in Athens, with several incidents registered, including attacks on Albanians in Greece or Albanian-run businesses. Tensions reached their pinnacle on November 8 when hundreds of Greek nationalists from Greece converged in Bularat for the funeral of Kacifa, many shouting anti-Albanian slogans. Incidents were avoided, in part because Albanian police decided to stay away from the village on the day of the funeral. Yet the reverberations of the incident continued to be felt into December. On December 5, the Albanian Foreign Ministry condemned what it claimed were four hate-killings of Albanians in Greece – Greek authorities rejected the claim that the killings were motivated by ethnic hatred. Albania also prevented around 100 Greeks from entering Albania to attend the 40-day commemoration of Kacifa's killing.

The governments of Albania and Kosovo held their fifth joint annual session in the Kosovo town of Pec on November 26, signing nine bilateral agreements. These included matters such as the mutual recognition of driving licences and the abolition of roaming charges. The most significant agreements related to customs – joint customs clearance procedures are envisaged at the Morina border crossing, the two sides will recognize each other’s veterinary and phytosanitary documentation, while Kosovo will establish its own customs office at the Albanian port of Durres.

Political messages were also sent from the meeting of the two governments in Pec. A few days prior to the meeting, media in Pristina had reported that Albanian Minister of Finance Arben Ahmetaj had been critical of Kosovo’s decision to impose a 100% tariff on Serbian and Bosnian goods, saying that it would harm the economies of all countries concerned. Yet in Pec, Rama declared that the 100% tariff imposed by Kosovo on Bosnian and Serbian goods could, in rational times, be considered irrational, but that given Serbia’s irrational behaviour towards Kosovo, this was the only possible response to Serbia, which Albania supported ‘100%’. Meanwhile, there were some dissonant tones on the much-speculated possibility of a land-swap deal between Kosovo and Serbia. Asked about this possibility, Rama responded that this was a question which should be approached with a ‘strategic vision’; Kosovo PM Haradinaj retorted that Kosovo would not give up a meter of land, regardless of Edi Rama, Hashim Thaci or anyone else.

## **Security**

The security situation in Albania remained stable over the previous month, with no significant events taking place.

Local media reported that on November 14 a high-profile, notorious Albanian criminal figure, Emiljano Shullazi, was sentenced to 14 years in prison for extortion and running a criminal organization. Two co-defendants were given sentences ranging from 9 to 12 years.

## Looking Forward

- **Judicial institutions:** over the next few weeks, the convening of new judicial and prosecutorial institutions is expected, including the new High Council of Judges and new High Council of Prosecutors. This will pave the way, among other things, for the nomination of a new General Prosecutor and chief prosecutors at the regional level.
- **Election law:** the government and opposition parties are set to continue negotiations on changes to the country's electoral law, with the aim of implementing some of the items on the long list of recommendations made by the OSCE over several electoral cycles. While any agreement would help to reduce tensions between ruling and opposition parties, the likelihood of important agreements being reached soon is low.

# Bosnia-Herzegovina

The political situation in Bosnia-Herzegovina remained highly unstable amidst uncertainty over which parties would be able to form the government in the Federation entity and at the central level. On a more fundamental point, it remained unclear how the Federation Parliament would be formed, due to the broken election law, which represents the main stumbling block on the road to government formation.

Trajectories		Outlook		
		1 month	6 months	12 months
Risk Dimension	War	Low	Modest	Modest
	Terrorism	Modest	Modest	Modest
	Government instability	Elevated	Elevated	Elevated
	Civil Unrest	Modest	Moderate	Moderate
	Ethnic Unrest	Modest	Modest	Modest



# Government Stability

Following national elections held on October 7th, Bosnia is still in the process of forming governments at all levels – central, entity and cantonal.

A fundamental problem remains whether and how government formation can proceed in the Federation entity. In July 2017, the Bosnian Constitutional Court erased part of the election law regulating how the members of the House of Peoples of the Federation Parliament (delegated from the cantonal assemblies in the Federation) are chosen. Bosnia's state parliament subsequently failed to agree on how the law should be amended, leading to a legal limbo where elections have been successfully held, but there are now no clear rules on how the Federation's House of Peoples is to be populated; without this body, which acts as the upper chamber of the Federation Parliament, the lower chamber, the House of Representatives, cannot elect the Federation government on its own.

All eyes are now focused on Bosnia's Central Election Commission (CIK) as the only body with some kind of legal grounds for intervening and resolving the current impasse. Yet, as with all other state institutions in Bosnia, the CIK is also ethnically and politically divided. Different political parties and politicians have sway over individual members of CIK. While CIK is under pressure to come up with a solution, individual members are coming under strong pressure to support solutions that would favour one party or another in forming the Federation's House of Peoples. Consequently, the atmosphere inside CIK has been compared to that inside a pressure cooker, with a real risk of CIK imploding rather than reaching a decision. Were CIK unable to reach a decision on how to form the Federation's House of Peoples, the possibility of the High Representative intervening by decree also exists, but most observers see this as more of a theoretical option, since no international actors – including even the USA or EU member countries – support such a course of action.

When it comes to coalition building, until it becomes known how the Federation's House of Peoples will be formed – and, by extension, what its likely political composition will be – it is

much harder to forecast with any certainty which parties are the most likely to form a governing coalition in the Federation. It would perhaps be safest to bet on the eventual emergence of a Party of Democratic Action (SDA) – Croatian Democratic Union (HDZ) coalition in the Federation. However, other possibilities, including an ‘anti-SDA’ coalition with (or without) the HDZ also cannot be excluded at this moment. Certainly, no government should be expected before February or March at the earliest in the Federation.

As things stand, the current Federation government will continue in a caretaker capacity. With no budget adopted for 2019, the Federation has the ability to continue operating on the basis of temporary financing until the end of March 2019 if – and only if – the current Federation Parliament approves a temporary financing decision before the end of the year. Even then, temporary financing cannot be extended beyond March 2019 and if no government were in place by then to draft a new budget, the Federation would have to cease all budgetary payments, including the salaries of civil servants or pensions payments. The Federation would, in effect, grind to a financial halt.

At the central level, the only institution that has currently been formed is the new Presidency, comprising of Safik Dzaferovic – the Bosniak representative from the SDA, Milorad Dodik - the Bosnian Serb representative from the Alliance of Independent Social Democrats (SNSD) and Zeljko Komsic - the Bosnian Croat representative from the Democratic Front (DF). With Komsic’s legitimacy disputed by many Bosnian Croats and their main political representatives from the HDZ, the personal animosity between Komsic and Dodik, as well as Dodik’s own style of nationalistic and destructive politics, it is likely that the new Presidency will be more deadlocked and dysfunctional than its predecessor. In principle, there are no institutional obstacles to forming the Council of Ministers at the central level either. The SNSD – which is expected to propose the candidate for the Chairman of the Council of Ministers – is already said to have decided upon Zoran Tegeltija, the outgoing Republika Srpska (RS) entity Minister of Finance. However, in practice, it is unlikely that a governing coalition at the central level will be agreed before a governing coalition is finalised in the Federation entity. Fortunately, the central Council of Ministers can continue to function in a caretaker capacity and on temporary financing at least until early 2020.

Amidst this rather grim political landscape, RS presents itself as a potential island of government and institutional stability, in a relative sense. Unlike in the Federation, where the entity president also has to be elected by parliament, RS has a new, directly elected president in the shape of outgoing Prime Minister Zeljka Cvijanovic. Meanwhile, the ruling SNSD and their coalition partners have been returned with an increased majority of 47 seats in the 83 seat RS Parliament (up from 42 seats after the previous election in 2014). This majority is likely to be boosted further, either by individual MPs defecting from the opposition block to the SNSD-led block, or by some of the smaller opposition parties, such as the National Democratic Movement (NDP), joining the SNSD ruling majority. The new Prime Minister is almost certain to be Radovan Viskovic, a Dodik loyalist. It is to be expected that the new RS government could be sworn in during late December or early January.

## Opposition Activities

Exactly who the political opposition will be in Bosnia in the coming years remains to be seen after the central and entity governments are formed. In the Federation entity in particular, it is hard to predict with any degree of accuracy that a particular party will remain in opposition, particularly as most of them are desperately trying to avoid such a scenario. Thanks to Bosnia's complex administrative and political system, most parties manage to be in power in at least one of the levels of government – the central state level, the two entities, the Brcko District, or the ten Federation Cantons.

In the RS, the Serbian Democratic Party (SDS) looks likely to remain in opposition, as does the Party of Democratic Progress (PDP). In the SDS, serious splits are visible between those who believe that the party must position itself firmly in opposition to the ruling SNSD if it is ever to return to power and a faction which appears to believe that the party must enter government at some level in order to maintain access to state resources and patronage vital for maintaining the party's organizational base. So strong are these divisions that some key SDS figures – such as Dobojski Mayor Obren Petrovic – have already defected to the SNSD, while other defections are

likely to follow. Party leader Vukota Govedarica is struggling to cling on to the SDS party leadership. During the next month, the party will hold internal elections which will reveal the extent of internal divisions, either confirming Govedarica's grip over a rump SDS or enthroning a new leader and thus causing fresh divisions and desertions.

## Regional Relations

Relations with Bosnia's neighbours remained broadly stable over the previous month.

The election of Zeljko Komsic as the Bosnian Croat representative on the Bosnian Presidency, apparently thanks to the votes of Bosniak voters for the best part, caused friction between official Zagreb and some Bosnian officials, including Komsic himself. As soon as the result became known, Croatian Prime Minister Andrej Plenkovic stated that such a result – whereby one constituent people elected the representative of another – was not good for Bosnian Croats and not good for Bosnia. Komsic retorted that Bosnia's elections were none of Plenkovic's business and raised the possibility of taking Croatia to the International Tribunal for the Law of the Sea in Hamburg over the construction of the Peljesac Bridge which he and certain Bosnian politicians believe to be in breach of international law by potentially obstructing the access of Bosnian ships to the open sea. Subsequently, Croatian officials have tried to raise the issue of the status of Croats in Bosnia before EU institutions. While these attempts failed to mobilize any EU support for these complaints, they have nevertheless raised further tensions between Sarajevo and Zagreb, as well as triggering international criticism against Croatian and Bosnian Croat politicians.

Bosnia also found itself dragged into the dispute between Belgrade and Pristina. Like Serbia, Bosnia does not recognize Kosovo's proclaimed independence and has done little to make life easier for Kosovars, who require visas to enter Bosnia. However, putting Bosnia in the same basket as Serbia and imposing tariffs of first 10% and then 100% on Bosnian goods seems odd, given that Bosnia does not proactively lobby against the recognition of Kosovo's independence on the global stage or indeed seek to block Kosovo's entry into international fora in the same way that Serbia does.

# Security

The security situation in Bosnia remained broadly stable. The most significant development from a security point of view was the decision of NATO to activate Bosnia's Membership Action Plan (MAP). NATO extended the MAP invitation to Bosnia in 2010, but conditioned its activation on the country first registering all military property adequately, something that has only partially been resolved. Under MAP, Bosnia would have access to a program of advice, assistance and practical support for military reforms geared towards eventual NATO membership. The NATO decision now places the ball firmly in Bosnia's court, which would now need to come up with an annual national program to submit to NATO as part of MAP. Whether this will happen any time soon seems very questionable. While Komsic and Dzaferovic welcomed the move by NATO, Milorad Dodik, the Bosnian Serb member of the country's Presidency stated unequivocally that he would seek to block Bosnia from moving towards NATO, in line with the RS Parliament's resolution on military neutrality.

In reality, the move by NATO is unlikely to speed up Bosnia's path to NATO membership, nor have any meaningful impact on the security situation in the country.

# Looking Forward

- **Federation Parliament's House of Peoples:** a key precondition for the stability of Bosnia-Herzegovina will be whether and how the Federation Parliament's House of Peoples can be formed. In this context, it will be important to watch whether the Central Election Commission can agree on a formula for how the chamber is to be populated.
- **Government formation:** while the RS government is on track to be formed by end December or early January, coalition building at the Federation and central levels looks more uncertain and should be followed closely; governments at these levels should not be expected before March at the earliest.
- **RS Constitutional reforms:** plans for overhauling the RS constitution are afoot, but it will be important to watch out for how far the RS leadership is willing to go on issues like the right to secession, the use of referendums, or clawing back RS competencies from the central state level.

# Kosovo

Kosovo continued to be beset by instability on a number of fronts. The Haradinaj government remained in a precarious domestic position, lacking a clear majority in the Kosovo Assembly and plagued by internal rivalries. Meanwhile, relations with Serbia deteriorated sharply, with no sign of stabilising.

Trajectories		Outlook		
		1 month	6 months	12 months
Risk Dimension	War	Moderate	Moderate	Moderate
	Terrorism	Modest	Modest	Modest
	Government instability	Elevated	Elevated	Moderate
	Civil Unrest	Modest	Modest	Modest
	Ethnic Unrest	Moderate	Moderate	Moderate



# Government Stability

Kosovo's government remains at constant risk of collapse, given that it lacks a clearly defined majority in the Kosovo Assembly. This situation has lasted since the end of March, when Srpska Lista, the block representing the Serbian minority in the Assembly, announced that it would withdraw its support to the Kosovo government. In theory, this move reduced the Kosovo government's majority from around 61 MPs to 52 MPs in the 120 seat Assembly.

However, despite its claim that it had withdrawn from the government and that its ministers' would resign, the ministers remain in the Haradinaj Cabinet and Srpska Lista has engaged in political trading with Haradinaj for its support, or at least the absence of its support for opposition efforts to defeat the government in the Assembly. Hence, while it is unclear whether the government has a majority to function in the Kosovo Assembly, it also seems that the opposition does not have a clear majority to pass a motion of no confidence in the government, or, indeed, to defeat it on smaller matters. A recent case in point was a motion tabled by the opposition Democratic League of Kosovo, LDK, against President Hashim Thaci's role in the dialogue between Kosovo and Serbia, which secured the support of only 50 MPs in the Assembly. On the other hand, a key upcoming vote on several laws that would effectively transform the Kosovo Security Force (KSF) into the armed forces of Kosovo in mid-December, is likely to gather enough support among ethnic Albanian parties to pass.

The Haradinaj government's instability is further compounded by serious tensions between the different parties and politicians on whose support it depends. Disagreements remain the most visible between President Hashim Thaci and Prime Minister Ramush Haradinaj – while the former seems willing to contemplate some kind of land swap deal with Belgrade as a way to resolve the dispute between Kosovo and Serbia, the latter has firmly rejected such idea. Yet neither seems powerful enough to block the other fully. Haradinaj's government is dependent on the support of the Democratic Party of Kosovo (PDK) which was led by Hashim Thaci until his elevation to the presidency. At present, the party is led by Parliamentary Speaker Kadri Veseli, who is himself engaged in an internal party conflict with Thaci, although one less visible than the

Thaci-Haradinaj conflict. Despite these constantly shifting battle-lines within the ruling coalition, it seems that ultimately Thaci controls enough PDK MPs in the Assembly and ministers in the government to be able to further undermine and destabilise Haradinaj's government, should he choose to.

In sum, it would appear that while the Haradinaj government could easily collapse at any point, it also has the potential to limp along in its present form indefinitely. It is, however, still unlikely to become the first government in Kosovo to complete its full term, as Haradinaj originally pledged when he became Prime Minister in September 2017.

## Opposition Activities

For the time being, the Haradinaj cabinet's best 'ally' in remaining in power are the divided opposition parties. In theory, the parties who claim to be in opposition, including the Srpska Lista, have more MPs than the governing coalition. However, they remain divided and unwilling to cooperate or coordinate with each other.

A very basic question remains whether a majority of them really wish to bring the government down at present, forcing early elections, or whether they are more interested in waiting and seeing how they might best politically benefit from the evolving political situation. Until recently, Srpska Lista seemed uninterested in actually bringing the Haradinaj government down, essentially depriving the opposition parties of the necessary votes to do so. Following the imposition of the 10% tariff on goods from Bosnia and Kosovo, Srpska Lista declared that it would support any opposition motion to bring down the government. Despite this, it is highly debatable whether Srpska Lista would go through with this pledge, or whether it is merely seeking to increase its bargaining leverage vis-à-vis Haradinaj's government. At the same time, most of the ethnic Albanian opposition parties have, in the past, stated in one way or another that they would not work with Srpska Lista – and by extension Belgrade – to bring down the Haradinaj government. It remains to be seen if and when they might be willing to moderate such a stance.

In parallel to this, there are signs that the opposition Social Democrats (PSD) are flirting with the idea of lending their support to the governing coalition. In late November and early December, the PSD prepared a parliamentary motion on the dialogue with Serbia, which would see the involvement of the opposition parties and civil society in the Kosovo negotiating team. While the negotiating team would be headed by someone from the ruling coalition, someone from the opposition would be the 'co-leader'. Given that the two largest parties in the Kosovo Assembly – the Democratic League of Kosovo (LDK) and Selfdetermination – are opposed to participating in the current negotiating team, the third largest party, the PSD, and its leader, Pristina Mayor Spend Ahmeti, would be the next in line to co-lead the negotiating team.

While at present the PSD is publicly only considering involvement with the Kosovo negotiating team, it seems possible that this is just a prelude to the PSD joining the governing coalition. With its 12 MPs in the Kosovo Assembly, the PSD could provide the governing coalition with a more stable majority. Given that it split from the Selfdetermination movement in March, the PSD still seems unprepared for competing in an election and may be calculating that its political future would be better served by supporting the current government.

## **Regional Relations**

Relations between Kosovo and Serbia continued on their downward trajectory over the past month, deteriorating significantly. Angered by Belgrade's aggressive campaign to block Kosovo's acceptance into various international organizations and the campaign to secure the de-recognition of Kosovo's independence, on November 6 Pristina imposed a 10% tariff on goods from Bosnia and Serbia. Belgrade and Sarajevo protested that the move directly undermined the CEFTA regional free trade agreement, but Pristina made the counter argument that Serbia in particular had long used non-tariff barriers to block Kosovo goods from entering Serbia. Calls from Brussels and Washington to revoke the tariffs were rebuffed by Pristina, with EU Foreign Policy High Representative Federica Mogherini being accused of a pro-Serbian bias by Pristina officials. Following Serbia's successful lobbying efforts to block Kosovo's membership of Interpol, Pristina responded by further raising tariffs to 100% on goods from

Bosnia and Serbia. After the Serbian Ministry of Foreign Affairs claimed that Madagascar had revoked its recognition of Kosovo's independence, Prime Minister Haradinaj threatened fresh measures against Serbia.

At present, nothing would suggest that an end to the current deterioration in relations between Kosovo and Serbia is in sight. Pristina appears to have dug its heels in on the issue of tariffs for Bosnian and Serbian goods and has so far resisted lukewarm international calls to revoke these measures. Indeed, while Belgrade insists that the dialogue on normalising relations will not resume until Kosovo revokes the tariffs, PM Haradinaj has declared that the tariffs will not be removed until Serbia recognizes Kosovo. Such expectations are clearly wildly unrealistic and it remains unclear whether Pristina might have other concessions it might be seeking from Serbia, such as the removal of non-tariff barriers for Kosovo goods entering Serbia.

The governments of Albania and Kosovo held their fifth annual joint meeting in the town of Pec on November 26, signing nine bilateral cooperation agreements (for more details see the Albania: Regional Relations section). The most important of these relate to simplifying customs procedures between Albania and Kosovo, including joint customs checks, helping speed up the passage of goods. Political messages were also heard following the meeting – Albanian Prime Minister Edi Rama declared that his country supports Kosovo on the tariff issue. However, his suggestion that the idea of a land swap between Kosovo and Serbia should be considered with 'strategic vision' was sharply rejected by Kosovo PM Haradinaj.

Kosovo's relations with Macedonia and Montenegro remained calm and uneventful during the previous month.

# Security

The government in Pristina pressed ahead with its plans to transform the KSF into an army over the previous month. Following a parliamentary vote to approve three draft laws on the KSF – including one transforming the Ministry of the Security Forces into the Ministry of Defence, one on the KSF which expands their mandate, and another on serving in the KSF which foresees the force’s reorganization – another, final vote to approve the three laws was scheduled for December 14. After this, the laws will legally come into effect. The legal changes are supported by ethnic Albanian parties from the government and opposition, but sharply opposed by Srpska Lista and Belgrade.

While some Kosovo officials, including Prime Minister Haradinaj and Parliamentary Speaker Kadri Veseli have claimed that after December 14 Kosovo will have its own army, in reality this seems to be only the beginning of such a process. The KSF cannot be transformed into an army in the full sense without constitutional amendments, which require a two thirds majority of MPs and a two thirds majority among ethnic minority representatives. Kosovo’s officials, including Veseli and Haradinaj, claimed that Kosovo had secured the support of key allies, in particular the US, for transforming the KSF into an army. How broad this support is remains questionable – following a meeting of NATO member-state foreign ministers, NATO Secretary General Jens Stoltenberg warned Kosovo on December 5 that the transformation of the KSF was badly timed, went contrary to the advice of many NATO members and could have serious consequences for the future euro-atlantic integration hopes of Kosovo. In particular, Stoltenberg pressed home the point that the KSF should be transformed via constitutional amendments, not merely by passing legislation. Prime Minister Ramush Haradinaj responded that Kosovo would get its army, and that this was an internal matter for Kosovo. A few days earlier Haradinaj noted that Kosovo would still need the presence of the NATO-led KFOR mission.

In all likelihood, the final round of voting on December 14 on the legislation transforming the KSF will likely be successful. Despite opposition from many corners, including NATO, the government in Pristina appears to believe that it has the support of Kosovo’s key ally, the US.

# Looking Forward

- **Kosovo Security Forces:** on December 14, the Kosovo Assembly is due to approve the three laws which will transform the KSF into an army. It will be important to watch whether the vote will indeed go ahead, as we expect it will, as well as what reactions there will be from NATO and members states such as the US, as well as Serbia.
- **Government stability:** the Haradinaj government is likely to survive at least until the key votes on the KSF, yet after that the risk of collapse will increase. In this case, it will be important to keep an eye on any further signs of the PSD moving closer towards supporting and/or joining the ruling coalition.
- **Trade tariffs:** negotiations on normalising relations between Kosovo and Serbia will not resume until the trade tariff issue is somehow resolved. However, at present Pristina seems determined to hold out against pressure to revoke the tariffs, while the international community appears without a clear plan on how to defuse the tensions. There is a risk of further escalation and retaliatory tit-for-tat actions by the two sides.
- **Kosovo Specialist Chambers:** after a long wait, the work of the Kosovo Specialist Chambers in the Hague, tasked with investigating war crimes in Kosovo during and immediately after the war, seems to be entering a more active phase. After the Special Prosecutor's Office invited some ex-KLA figures to be interviewed in the Hague, it will be important to watch out for the issuing of actual indictments, which could further destabilise the political and security situation in Kosovo.

# Macedonia

The political situation in Macedonia remained relatively stable, with a clear tendency towards increased stability if the process of implementing the constitutional changes and final ratification of the Prespa Agreement is completed.

Trajectories		Outlook		
		1 month	6 months	12 months
Risk Dimension	War	Low	Low	Low
	Terrorism	Low	Low	Low
	Government instability	Modest	Modest	Modest
	Civil Unrest	Moderate	Moderate	Modest
	Ethnic Unrest	Modest	Modest	Modest



# Government Stability

The Macedonian government remained broadly stable over the last month, with few noteworthy signs of splits or divisions. For a brief moment in late October and early November, two small ethnic Albanian parties, the Alliance for Albanians and BESA, both of which have provided crucial support for the constitutional amendments, brought into question their passage by conditioning their future support to the constitutional amendments on the adoption of similar amendments to make Albanian an official language nationwide. However, given the lack of support from other parties, including the Democratic Union for Integration (DUI), the biggest ethnic Albanian party, such threats were quickly brushed under the carpet. There also appears to be some dissatisfaction within the Social Democratic Union of Macedonia (SDSM) with regard to one or two DUI ministers – among them Deputy Prime Minister Hazbi Lika and Sadula Duraki, Minister for the Environment and Spatial Planning, who attend government sessions infrequently and are generally seen as being insufficiently active; it is rumoured that they may well be replaced at an opportune moment, once the ratification of the constitutional amendments is completed.

With the implementation of the ‘name’ agreement and the effort to push through Parliament the amendments to the constitution to change the country’s name taking centre stage, relatively little attention is being paid to the approaching presidential elections, which are due to take place in March and April. Yet the process of selecting one (or more) candidates to represent the ruling parties in Macedonia could place some modest strain on the ruling coalition. DUI, the junior coalition partner representing the country’s ethnic Albanians, has pushed for a ‘consensus candidate’ who would be agreed upon by both the ruling SDSM, DUI and potentially other parties from within the governing coalition and opposition. So far, the SDSM has merely said that it is willing to consider a formal proposal from DUI when it is made. For his part, Prime Minister Zoran Zaev has publicly ruled out the possibility that he could run for president, despite being seen by some as a potential consensus candidate.

Meanwhile, the Macedonian public prosecution has initiated a pre-investigation into sitting President Gjorge Ivanov to determine whether he has breached the constitution and relevant laws. The prosecution is looking into whether Ivanov's refusal to sign the law on the ratification of the Prespa Agreement between Greece and Macedonia, along with the 'language law', breaches the constitution. However, there is little chance that Ivanov could be impeached before his mandate expires in early spring.

## Opposition Activities

One of the most spectacular news stories from the region over the last month was the escape of Nikola Gruevski from Macedonia in the face of an impending prison sentence over the weekend of November 10-11, via Albania, Montenegro and Serbia, to Hungary, where he sought political asylum. It was reported that Gruvski crossed from Albania into Montenegro in a car belonging to the Hungarian embassy in Tirana. Once in Budapest, Gruevski claimed that he had fled because of a plot to kill him once in prison and lack of a fair trial, duly receiving asylum. Many in Macedonia wondered whether Gruevski's flight was a reflection of gross incompetence on the part of the law enforcement authorities or part of the price for securing the support of some VMRO-DPMNE MPs for amending the country's constitutional name. Macedonia filed an extradition request for Gruevski, but it seems unlikely that he will be returning to Macedonia any time soon.

Meanwhile, his flight left his VMRO-DPMNE colleagues in an even more difficult situation. Immediately after, former transport minister Mile Janakieski and former government secretary general Kiril Bozinovski were arrested, on the orders of the Macedonian Special Prosecution, SJO, which cited fears that they too might flee the country.

Of course, these were just the tip of the VMRO-DPMNE's iceberg of problems. At the beginning of November, a Macedonian court froze 69 real estate assets owned by the party, among them the VMRO-DPMNE's luxurious headquarters building, as part of a money laundering investigation. The party was also plagued by splits, resignations, defections and desertions. As

of early November, Luka Krzaloski, the head of the party's youth, Daniela Rangelova, the head of the party's women's union, and Dragan Danev, the head of the party's parliamentary caucus, were just some of the senior figures to resign from their positions in opposition to the isolationist and anti-Western course being plotted by the party leadership. Earlier, the VMRO-DPMNE party leadership had expelled the seven MPs who had gone against the party line and voted in favour of the constitutional amendments to change the country's name. In a bid to flex its muscles and mobilise its core supporters, the VMRO-DPMNE organised anti-government protests on November 28, attended by thousands of their supporters.

Yet the split within the VMRO-DPMNE over how to approach the 'name' agreement and constitutional amendments left room for the SDSM to try and drive an even deeper wedge into the party's divisions. On November 26th, the ruling majority rejected a draft law tabled by the VMRO-DPMNE which would have granted amnesty to all those involved in the storming of the Macedonian Parliament in April 2017. However, Prime Minister Zaev signalled his willingness to support a limited amnesty deal for those who had not directly used violence after meeting with the Parliamentary commission on reconciliation on November 30th. Given that the commission was formed on the initiative of the eight opposition MPs who supported the constitutional changes and who conditioned their further support on progress in 'reconciliation' and an amnesty, Zaev's moves were a strong signal ahead of the final vote on constitutional changes that he would be more open to listen to those opposition MPs who supported the constitutional changes and opposed the VMRO-DPMNE line. As the key final vote on the constitutional amendments approached, there were indeed signs that more VMRO-DPMNE MPs would defy the party line and vote in support.

Meanwhile, a poll taken by the M Prospect agency and released on November 21st showed the SDSM to enjoy the support of 26.8% of voters to the VMRO-DPMNE's 21.1%.

# Regional Relations

Macedonia took another step forward in implementing the 'name' agreement with Greece when, on November 2, the government submitted four constitutional amendments to Parliament which, among other things, add the adjective 'north' to the country's name, underscore Macedonia's respect for the sovereignty and territorial integrity of its neighbours, specify more clearly the foundations on which Macedonia's statehood is built and deal with what the country does for its diaspora. These amendments have now cleared the second stage of Parliamentary procedure. For their final adoption, two thirds of MPs will need to vote in support. This crucial – and final – vote is likely to be held in January. If it is successful, as we expect, Macedonia will have delivered on its end of the Prespa Agreement and the ball will be firmly in Athens' court to deliver on its end of the bargain. Whether the government in Athens will be able to muster the necessary votes to approve the Agreement is less certain. Opinion polls in Greece show that close to two-thirds of voters oppose the deal.

Meanwhile, in another sign of thawing relations between Athens and Skopje, international flights between the two capitals were resumed under the auspices of Olympic Airways. Direct flights were terminated in 2007 when the previous Macedonian government named Skopje's airport after Alexander the Great, angering Greece.

Although the flight of former PM Nikola Gruevski to Budapest and the asylum granted to him by Hungarian authorities have strained relations between Hungary and Macedonia, as well as, to a lesser extent the three countries that allowed Gruevski safe passage, this, in and of itself, is unlikely to lead to a serious and lasting deterioration in bilateral relations. For one thing, Macedonia cannot hope to make an enemy of Hungary if it hopes to unblock its NATO and EU accession processes.

# Security

The security situation in Macedonia remained calm and stable, with no significant developments. Eventual approval of the Prespa Agreement should lead to quick progress in accession to NATO by Macedonia.

At present, there are modest signs of Russian efforts to boost opposition to NATO membership or support causes which could block Macedonia's accession path (most obviously by supporting groups opposed to changing the country's name), both through the media and in the form of modest support to specific groups. However, Macedonian authorities do not seem overly concerned about this and seem to think that they have the situation under control. Moreover, they expect such Russian activities to largely come to an end following Macedonia's accession to NATO.

# Looking Forward

- **Constitutional amendments:** while the constitutional amendments are now undergoing public debate, it is important to follow the government's efforts to ensure the support of as many opposition MPs as possible in order to reach – and surpass – the required two-thirds majority ahead of the final vote in January.
- **Amnesty law:** a key variable which will directly affect Parliamentary support for the constitutional amendments will be the fate of the Amnesty law. In this context it will be important to follow signs that the Amnesty law has been agreed upon and when it might be adopted.
- **Upcoming Presidential elections:** With Presidential elections due in March or April, attention should be paid to the emergence of different candidates, most of which should be known by the end of January. Particularly important to watch will be whether the SDSM and DUI reach agreement over a consensus candidate, such as University professor Denko Maleski – strengthening the ruling coalition – or whether the SDSM chooses to field its own candidate – straining the ruling coalition.
- **Opening of EU accession negotiations:** in the more medium-term, Macedonia hopes to open EU accession negotiations mid-2019. A good indicator of whether this will happen or not will be whether the government moves to implement any rule of law related reforms, particularly in the judiciary, police and security services.

# Montenegro

While the security situation in Montenegro remains stable, a degree of instability has been inserted into political life by the arrest of opposition leader Nebojsa Medojevic which most observers deem to be in breach of Parliamentary immunity rules.

Trajectories		Outlook		
		1 month	6 months	12 months
Risk Dimension	War	Low	Low	Low
	Terrorism	Low	Low	Low
	Government instability	Modest	Modest	Modest
	Civil Unrest	Modest	Modest	Modest
	Ethnic Unrest	Modest	Modest	Modest



# Government Stability

The Montenegrin government remained broadly stable during the previous month, but nevertheless low-intensity tensions and Democratic Party of Socialists (DPS) factionalism continued to stew beneath the surface. The factional rivalry within the DPS – specifically between the faction around PM Dusko Markovic and the faction around President Milo Djukanovic and Milan Rocen – continued to play itself out in the government. While the vast majority of ministers within the government are loyal to Djukanovic, Markovic is trying to increase his own leverage by appointing his own loyalists to more junior positions within the government, in line with the Prime Minister’s powers. In addition to this, tensions are said to be growing between PM Markovic and Minister of Justice Zoran Pazin and becoming ever more visible. Some observers suggest that Pazin is trying to align himself more closely with Djukanovic in the hope of emerging as a possible candidate for Prime Minister after the 2020 elections.

However, Djukanovic and Markovic are likely to keep a lid on such tensions and prevent them from breaking out into a full-blown public split. Both men are aware that a public split would only damage both of them and help the opposition.

Another continuing source of instability is the government’s reliance on the support of four small parties representing the country’s Albanian, Bosniak and Croat ethnic minorities. In particular, the parties representing ethnic Albanians extracted heavy concessions in return for their support to the current government, which the DPS will likely struggle to deliver upon. One such concession was indeed recently delivered upon by the government when it granted the status of a municipality to the Albanian town of Tuzi in October. Now, the Albanian parties are pushing for changes to the law on national symbols – the current law does not permit the use of national flags by other ethnic groups, which the Albanian parties see as discrimination.

## Opposition Activities

The most significant and destabilising event on the opposition scene in Montenegro was the arrest of Nebojsa Medojevic, an MP and one of the leaders of the Democratic Front (DF), on November 29. Medojevic was detained and taken to prison for refusing to testify in a corruption investigation, initiated because of his claims that the Chief Special Prosecutor had taken a bribe of €100,000. His arrest was carried out on the orders of the High Court in Podgorica. However, the arrest is extremely controversial and has caused a modest legal earthquake in Montenegro. Most legal experts and political observers agree that members of Parliament are protected by their Parliamentary immunity and cannot be arrested without its removal. Yet the Appeals Court in Podgorica has taken the position that the immunity applies only to words uttered during Parliamentary sessions, which seems a completely new way of interpreting existing legislation, even for MPs from the ruling DPS.

The Constitutional Court of Montenegro is now expected to rule on the matter. Meanwhile, another DF leader, Milan Knezevic, has decided not to leave the building of the Montenegrin Parliament as the High Court also ordered his arrest on similar grounds. Authorities are at present considering whether they have the right to enter the Parliament building and arrest him there.

The opposition held a small protest immediately after Medojevic's arrest, as well as a much bigger protest on Sunday December 9th in the capital Podgorica. Further protests were announced by the opposition coalition. Intentionally perhaps, or not, the arrest of Medojevic and the protests which the DF is now organising have helped to breath some life into the otherwise fairly moribund DF. It has also resulted in some kind of coming together between the DF – seen as being pro-Russian – and the 'pro-Montenegrin' bloc of more civic, pro-Western opposition parties and some civil society groups, all of which has until now avoided being associated with the DF.

## Regional Relations

The centenary of the end of the First World War cast a distinct shadow over relations between Montenegro and Serbia. Although the two countries fought side by side in the Great War and were both occupied by the Central Powers, their interpretations of what happened at the end of the war diverge significantly. In late 1918, the 'Podgorica Assembly decided to unite Montenegro with Serbia under the Karadjordjevic dynasty. For most Serbs in Montenegro, the event is something to be celebrated, marking the union of Serbs into one country and the liberation of Montenegro. In line with this, pro-Serb political parties, NGOs and the Serbian Orthodox Church organized celebrations of the Podgorica Assembly during November in Montenegro. Yet the Montenegrin government and many Montenegrins today see this event very differently. In mid-November, President Milo Djukanovic described the events of late 1918 as the destruction of the Montenegrin state and an act of betrayal. Furthermore, he compared the celebrations of the Podgorica Assembly with the celebration of betrayal and called on the government to adopt legislation preventing the celebration of this event.

These words came on the heels of the Montenegrin government's decision in early November to ban entry to four Serbian citizens – poet Matija Beckovic, law professor Dejan Mirovic and historians Cedomir Antic and Aleksandar Rakovic – who were due to speak at one of the celebrations of the Podgorica Assembly. These, and other actions, in turn caused sharp rebukes in Belgrade. Serbian President Aleksandar Vucic expressed his outrage over the entry ban. Belgrade and Podgorica continued to trade barbs and accusations for much of November over whether Serbia had occupied Montenegro and whether it still had pretensions to its territory, or whether in fact Belgrade was merely looking out for the legitimate interests of Serbs in Montenegro.

While on the surface it looked like relations between Belgrade and Podgorica had soured, many observers in both Montenegro and Serbia saw the entire saga as a manufactured conflict, stoked by the ruling elites of the two countries in order to serve their day-to-day political interests and distract ordinary citizens from more fundamental socio-economic problems and

failings of the respective governments. Behind the scenes, it was argued, relations between the respective leaderships in Belgrade and Podgorica remained excellent.

Montenegro's relations with the EU also showed signs of deterioration, as the government in Podgorica pressed on with the Montenegro Economic Citizenship Program, a plan to offer citizenship to foreign citizens willing to invest between €350,000 and €450,000. The program smacked of previous efforts which were seen as a way to 'sell passports' and which were, just like this time around, sharply discouraged by the EU, which warned Podgorica against steps which could create obstacles on the way to EU membership. The December European Council also failed to approve the opening of either of the two remaining negotiating chapters – Competition Policy or Environment and Climate Change. While some in Podgorica hoped for the opening of the latter chapter, Montenegro is still struggling to meet key benchmarks for the opening of this chapter.

## Security

The security situation remained calm and stable over the previous month. At the beginning of November, two Montenegrin officers joined the NATO-led KFOR mission in Kosovo. The decision to deploy Montenegrin troops as part of KFOR had been announced earlier in the year, causing sharp criticism from Serbia and pro-Serb groups within Montenegro.

A meeting of the Parliamentary Committee for Security and Defence held at the beginning of November heard official statements about the rising migratory pressures on the Albanian-Montenegrin border, as migrants and refugees from the Middle East and Africa sought new routes to reach Western Europe. According to official data, between January 1 and September 1, the police registered 3,132 'illegal migrants' in Montenegro. Yet the situation was far less dramatic than in neighbouring Bosnia which had seen an influx of some 20,000 migrants and refugees.

Within Montenegro, the 'coup trial' against the alleged plotters of a coup to overthrow the Montenegrin government in October 2016 proceeded. For much of the last few months the trial

dealt with forensic evidence which was of less immediate interest to the local and international audience than previous segments of the trial. Yet the trial once again grabbed public attention when, on November 23, one of the defendants – Serbian citizen Branka Milic – walked out of the courthouse and entered the premises of the Serbian Embassy in Podgorica, where Montenegrin police cannot arrest her. Milic’s lawyers claimed that the prosecution was waging ‘psychological violence’ against their defendant. In much of the – conventional and social – media, Milic has been dubbed the ‘Balkan Assange’. On a more serious note, these developments have the clear potential to sour relations between Montenegro and Serbia.

## Looking Forward

- **Medojevic and Knezevic arrests:** any moves by the police to enter the Parliament building and arrest opposition MP Milan Knezevic will only further escalate political tensions and instability in the country. It will be important to keep an eye on the decision of the Constitutional Court on whether Parliamentary immunity protects MPs from arrests in such situations.
- **DPS rivalry:** factional infighting within the DPS will continue in the coming months; although it is likely to remain low in intensity, any signs that it could get more heated, or out of control, will be an important sign of approaching government instability.
- **Coup trial and the ‘Balkan Assange’:** it will be important to keep an eye on the ongoing ‘coup’ trial, as well as how the situation with Branka Milic, currently holed up in the Serbian embassy in Podgorica, will evolve. A failure to resolve her situation could create genuine tensions between Belgrade and Podgorica.

# Serbia

While the Serbian government remained stable, a degree of instability was inserted into domestic political life thanks to a sharp deterioration in relations with Kosovo and growing friction between the ruling and opposition political parties.

Trajectories		Outlook		
		1 month	6 months	12 months
Risk Dimension	War	Low	Low	Low
	Terrorism	Low	Low	Low
	Government instability	Low	Modest	Low
	Civil Unrest	Modest	Modest	Modest
	Ethnic Unrest	Low	Low	Low



# Government stability

The Serbian government remained stable during the previous month, with nothing that could suggest any kind of genuine instability on the horizon. Despite the fact that President Vucic has occasionally toyed with the idea of a cabinet reshuffle, there is nothing concrete to suggest that this is on the horizon for the time being. This aside, persistent low-intensity tensions within the ruling Serbian Progressive Party (SNS), as well as the ruling coalition, continued to stew, surfacing occasionally.

As usual, individuals such as Deputy Prime Minister Zorana Mihajlovic were at the intersection of internal tensions within the SNS, although over the last month verbal skirmishes between her and others within the ruling coalition – including most recently Parliamentary President Maja Gojkovic, SNS Executive Committee head Darko Glisic, or even Prime Minister Ana Brnabic – were less visible in the public sphere. Mihajlovic did publicly clash with Milutin Mrkonjic, the honorary president of the Socialist Party of Serbia (SPS) over the quality of work carried out of the Ub-Lajkovac section of the future Belgrade-Cacak motorway, carried out during his term as Minister of Infrastructure.

More sinister was the attack on Rasim Ljajic, another Deputy Prime Minister and Minister for Trade, Tourism and Telecommunication, by Vojislav Seselj, the head of the Serbian Radical Party (SRS), who on October 30th accused Ljajic of being at the head of one of the most powerful drug cartels in Serbia. Clearly ludicrous, the accusations seemed clearly timed to coincide with the elections for the Bosniak National Council. Many observers believed that Seselj's attack on Ljajic was carried out at the request of senior figures within the SNS leadership, in order to discipline Ljajic and boost the list around former mufti Muamer Zukorlic. In an interview given at the beginning of December, Ljajic stated that he would not serve in the government as minister after a future election or cabinet reshuffle, though remaining in coalition with the SNS. While a sign of Ljajic's displeasure, it remains to be seen whether he will indeed go through with this pledge.

## Opposition activities

The opposition Alliance for Serbia block continued with its efforts to unite the fragmented Serbian opposition and coordinate its criticism of the government. In line with this, the Alliance continued to challenge the government's policies towards Kosovo and any kind of negotiations regarding some kind of recognition of Kosovo or possible land swap deals between Belgrade and Pristina. Other points of criticism included the decision of state-owned Telekom Srbije to buy the cable television provider Kopernikus, whose owners are thought to be close to the ruling SNS, for what many experts argued to be an over-inflated price.

Having abandoned the Civic Block 381 led by former presidential candidate Sasa Jankovic, the tiny Green Ecological Party announced at the very beginning of December that it was joining the Alliance for Serbia. Earlier, at the beginning of November, ten small, local organizations with no national visibility also announced that they were joining the opposition block. Given their exclusion, or at best negative coverage, in much of the of the national media under the firmer or softer control of the ruling SNS, the leaders of the Alliance toured towns across the country in an attempt to raise their visibility and take their message to the ordinary public. Nevertheless, such events were only modestly attended at best. Detractors criticized the Alliance for failing to formulate clear, alternative policies to the ruling SNS.

A serious incident occurred at one of the Alliance for Serbia events in the central Serbian town of Krusevac, where hooded bystanders physically assaulted Borko Stefanovic, the leader of Alliance member Serbian Left. Stefanovic received injuries to the head along with two activists from his party, who were all taken to hospital. While Stefanovic and the other leaders of the Alliance pointed the finger of blame for the attack at the ruling SNS' local organization, ruling party officials denied any involvement. Subsequently, the Alliance for Serbia organized protests against violence in politics – on December 8, around ten thousand demonstrators took part in a peaceful protest walk around Belgrade.

## Regional relations

The last month saw a significant deterioration in relations between Kosovo and Serbia. On November 6th, the Kosovo government imposed a 10% tariff on imports from Bosnia and Serbia, provoking sharp criticism from the two countries. EU officials stated that the move was in breach of the CEFTA regional free trade agreement. The move came just days ahead of yet another round of talks between Presidents Hashim Thaci and Aleksandar Vucic, held in Brussels and mediated by EU Foreign Affairs High Representative Federica Mogherini. As with previous meetings, it was hard to escape the impression that the 'Brussels dialogue' was in the diplomatic equivalent of a coma with little sign of recovery.

In the meantime, Serbia continued its campaign of securing the 'de-recognition' of Kosovo across the world. At the beginning of December, Kosovo media reported that the Solomon Islands had decided to revoke their recognition of Kosovo, while Serbia claimed that Madagascar had revoked its recognition of Kosovo as well. By the count of the Serbian side, 12 countries had withdrawn their recognition of Kosovo.

Relations between Belgrade and Pristina nose-dived further after Kosovo failed to secure an invitation to join Interpol at the organization's General Assembly in Dubai. Although a majority of delegates at the General Assembly voted in favour of Kosovo's membership on November 20th, Pristina still fell short of the two-thirds majority required to secure membership. Kosovo's Government blamed intense Serbian lobbying against its membership. Incensed by this, it decided to raise tariffs on goods from Bosnia and Serbia to 100%. Predictably, relations between Belgrade and Pristina hit new lows after this move.

Serbia's relations with other neighbours remained broadly stable, although President Aleksandar Vucic did not miss the opportunity to send a message to Podgorica and Skopje that their vote in favour of Kosovo's accession to Interpol, contrary to Serbia's efforts, had been noted.

# Security

The security situation in Serbia remained stable over the course of the previous month. From the Serbian point of view, the chief source of potential security instability came from Kosovo and its unresolved relations with Pristina. Belgrade expressed its concerns about the possibility of Kosovo using its armed forces or special police units in the northern, Serb-dominated area of northern Kosovo in an attempt to assert control. Defence Minister Aleksandar Vulin went so far as to claim that the Serbian army was ready to carry out every order given by President Aleksandar Vucic and 'protect the lives of Serbs in Kosovo'. Such rhetoric clearly amounted to sabre rattling in the domestic political context, with the likelihood of Serbia intervening militarily in Kosovo remaining very low.

Arguably, a greater everyday security risk to ordinary Serbian citizens came from organized criminal groups, who continued to settle their scores periodically on the streets and in the cafes of Belgrade. Thus, in the first days of December, gunmen burst into one café in Belgrade and shot and killed an individual called Vladimir Popovic 'Pop', thought to be linked to the Montenegrin Skaljari criminal clan. In the process, they also shot and wounded another guest of the café, who appeared to have no connection to either the murder victim or his killers. According to the tally of investigative journalists from KRIK, this was the 26th criminal murder since the start of the year.

## Looking Forward

- **Relations with Kosovo:** Among the key factors to watch in the run up to the end of the year will be whether relations between Belgrade and Pristina continue to deteriorate, or whether the international community will be able to bring the two sides back to the negotiating table. For now, the prospects of an improvement in relations look distinctly gloomy.
- **Elections:** Speculation about possible early Parliamentary elections in the spring circulated in Belgrade. Vuk Jeremic, one of the leaders of the Alliance for Serbia, claimed that they were being planned for March 2019. President Aleksandar Vucic denied this, having speculated earlier in October that early elections, at an unspecified time in the spring, could not be ruled out. At present, the timing of any early elections appears too uncertain for credible speculation, but any sign of the SNS' popularity declining or that of the opposition parties growing would be a catalyst for their holding. We assess the likelihood of early election in the spring at 50%.

# About Risk Dimensions

## War

We understand 'war' as the state use of armed force beyond regular policing. This category includes the risk of the state use of force in the context of inter-state war, civil war, border disputes, but also in response to terrorism or civil disorder.

## Terrorism

Terrorism refers to activities, or the risk thereof, of organised groups (large or small) who are causing, or pose a credible risk of causing, death, injury, property damage, kidnapping or other forms of terror using violence (which may include shootings, assassinations, bombings, arson, beatings, etc). At risk may be individuals or assets. Motives may be wide ranging – religious, political, ideological, nationalist, ethnic, etc.

## Government Instability

This category covers the risk of government collapse, protracted government instability and/or paralysis and/or deadlock and/or inability to take decisions, the risk of early elections, or even a protracted institutional or constitutional crises.

## Civil Unrest

The category refers to unrest and/or disorder which is primarily political, socio-economic, labour, land/property issues, corruption or rights-based in terms of motives, or directed against a specific actor or issue. It can include mass protests, riots or strikes, whether peaceful or violent and national-level, regional or local.

## Ethnic Unrest

This category refers to unrest and/or disorder which is primarily motivated by ethnic, religious or nationalist factors and/or grievances (real or imagined). It can include mass protests, riots, communal attacks or frequent physical attacks against members of a group. It can be violent or non-violent and national-level, regional or local in nature.

## About

The Western Balkans Stability Monitor is produced by BIRN Consultancy, part of BIRN Ltd. BIRN Consultancy is an independent analysis, advisory and corporate investigation consultancy with a regional focus on the Balkans. Our mission is to help our clients better understand both the opportunities and challenges facing them in the south-east Europe. Often, our clients already have a degree of familiarity with the region. They turn to us for more detailed analysis of developments and trends or to investigate a particular problem, because our unique mix of knowledge and expertise gives us a competitive edge over others.

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