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## The OSCE Mission in Macedonia 2002-2004: A Qualified Success<sup>1</sup>

The 2002 elections entailed a decisive change of direction for Macedonia. The victory of the Social Democratic Union of Macedonia (SDSM)<sup>2</sup> was predictable. If anything was surprising it was the scale of the victory.<sup>3</sup> However, the election was also contested by a new Albanian party, whose support was hard to estimate accurately in advance: the Democratic Union for Integration (DUI)<sup>4</sup>. The DUI was entirely lacking political experience, having only been formed in the spring. Nevertheless, the new party's success was not so very surprising given that it is the political wing of the former National Liberation Army (UCK/NLA<sup>5</sup>), which had instigated the conflict in 2001 above all in opposition to the established Albanian parties. The new party aimed to ensure that the promises made to the Albanians as a result of the conflict would be kept. This, paired with the frustration felt by the Albanian population at the corruption, nepotism, and petty politicking of the established parties, the DPA and the PDP<sup>6</sup>, whose leaders were even accused of having ties to organized crime, was decisive for the DUI's success.

The coalition negotiations between the SDSM and the DUI dragged on and on; this was the first public sign of the DUI's lack of experience. The party head and former leader of the UCK/NLA, Ali Ahmeti, whose parliamentary candidature was supported by most representatives of the international community (despite ethical misgivings in some cases), had announced prior to the negotiations which ministries were desired by the DUI. These included the Ministry of the Interior. It was no surprise that they were unsuccessful in realizing most of their hopes. After all, the larger partner in the coalition was the most politically experienced in the country. It also became

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1 The article covers the period up to August 2004.

2 Macedonian: Socijaldemokratski Sojuz na Makedonija.

3 Election results: the coalition "For Macedonia Together" (SDSM and partners): 41.62 per cent; the coalition of the VMRO-DPMNE and the Liberal Party: 25.06 per cent; DUI: 12.20 per cent; DPA: 5.36 per cent; PDP: 2.28 per cent; NDP: 2.22 per cent; Socialist Party of Macedonia: 2.18 per cent.

4 Macedonian: Demokratska Unija za Integracija, Albanian: Bashkimi Demokratik për Integrim.

5 Albanian: Ushtria Çlirimtare Kombëtare; the use of the same abbreviation (and logo) as the Kosovo Liberation Army (UCK/NLA) is no coincidence but a deliberate attempt to establish a connection.

6 Democratic Party of the Albanians (Macedonian: Demokratska Partija na Albancite, Albanian: Partia Demokratike Shqiptare) and the Party for Democratic Prosperity (Macedonian: Partija za Demokratski Prosperitet, Albanian: Partia e Prosperiteti Demokratike), the two "established" parties, which had been involved in shifting coalitions in the years following Macedonia's independence.

rapidly evident that the DUI lacked quality personnel in depth and would have trouble finding suitable candidates to fill the positions it was offered.

When a government finally was formed, it contained several surprises: For example, the Ministry for Local Self-Government, which is of central importance for the implementation of the Ohrid Agreement, was occupied by the SDSM. The DUI, it was revealed to general astonishment, had expressed no interest in the office.<sup>7</sup> The DUI received the ministries of Health, Transport, Justice, and Education, as well as the position of deputy prime minister, whose responsibilities include the Framework Agreement.

Throughout the process of forming a coalition government, the OSCE Mission remained remarkably passive. While the EU Special Representative and the US Embassy actively participated in and advised on the negotiations, the Mission restricted itself to observing events. In the early days of the new government, the Mission's contacts concentrated on the minister of the interior, Hari Kostov, and focused on ensuring the continuation of the ongoing police-support work. In general, the work of the Mission's police contingent was clearly prioritized, while it was the Mission's policy to refrain from participating in or influencing the political process.

#### *A New Government – Old Problems in New Guises*

The new government, upon which the praise of the international community was rather prematurely heaped, found itself faced with old problems in a new form: the Ohrid Framework Agreement.<sup>8</sup> The Framework Agreement came to be cited in support of every possible position: in favour of implementing reforms, postponing them, or interpreting them in idiosyncratic ways. The expression “*po ramkoven*”<sup>9</sup> started to be used like a swearword. A contributory factor is the traditional practice of replacing much of the civil service on the accession of a new government. In contrast to previous changes of government, this time the quota of Albanians was implemented more strictly. As ever here, party membership was more important than qualifications – a systemic feature of the Macedonian political system and by no means typical of the DUI alone. It is no surprise that this cynical approach soon led to frustration that transcended ethnic boundaries. What is surprising, however, is the

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7 In previous years, it had become an unwritten rule of Macedonian politics that this position would be offered to an Albanian as a gesture of goodwill.

8 The Framework Agreement signed in Ohrid on 13 August 2001 ended the armed conflict that had broken out in Macedonia in the spring of the same year. It was signed by the president, representatives of the (then) four leading political parties, and envoys of the EU and the USA, who acted as guarantors. Its implementation required a series of constitutional amendments and a considerable number of new laws. The deadline for implementation is the end of 2004.

9 The Macedonian translates roughly as “in compliance with the Framework Agreement”, used in a pejorative sense.

way the Agreement's guarantors, the EU and the USA in particular, encouraged this procedure behind the smokescreen of ethnic quotas.

Implementing the Framework Agreement was a matter of the highest priority for both the government and the parliament. Merely processing the large number of legislative amendments that needed to be made was too much for the less-than-efficient Macedonian institutions. The reforms required range from the introduction of new, optionally bilingual identity papers for minorities, via a general reform of the civil service and the judiciary and a comprehensive review of the armed forces, to the redefinition of territorial boundaries and the decentralization of the state. In a few intensive steps, which, despite inevitable delays, maintained a tempo that prioritized quantity over quality, more than 60 laws were amended or created from scratch (not to mention the vast number of implementing regulations and other stipulations). All this had to be tackled by a parliament 70 per cent of whose members were novices that had to be initiated into basic procedures.

The sheer shortage of time and a certain lack of ideas and co-ordination meant that Macedonia's greatest problem – the economic situation – was totally ignored. With the best will in the world, one cannot claim that the new government pursued a proactive economic policy in its first year. One year into the life of the government, the key departments of Economics, Finance, Justice, and Transport changed hands. However, rather than responding to the disastrous economic situation by replacing the incumbent party loyalists with experts, the coalition parties simply replaced one set of loyal party functionaries with another. As a result, the government could not discuss an expert report on the economic situation until the summer of 2004. The consequences have been deficits, falling production, high unemployment, and a lack of investment. A non-strike agreement with the largest trades unions' association that had been in place since the early days of Branko Crvenkovski's government did not last long, and protests at the terrible social conditions are the order of the day. According to recent statistics, one quarter of the Macedonian population live below the poverty line, while the unemployment rate is nearly 40 per cent.

As expected, the redistribution of property and control of the key sectors of the economy followed the established pattern: Enterprises that had come under the direct or indirect control of the former governing party, the VMRO-DPMNE<sup>10</sup>, in the previous four years (by whatever means, often not in line with the rule of law) were "reassigned". This was sometimes accomplished with the help of the workers or outsiders, who "spontaneously" occupied company premises and demanded that the management resign. The involvement of sections of the trade union movement completes the picture,

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10 Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity, Macedonian: Vnatesna makedonska revolucionerna organizacija – Demokratska partija za makedonsko nacionalno edinstvo.

one that departs very little from the tired pattern of Macedonia's previous history.

Members of the former government were charged with numerous offences, which was (and continues to be) presented as part of the fight against corruption. To avoid accusations of bias, some of the most blatant attempts by the new government to furnish its members, their spouses, and family members with offices were also tackled, and a very few high-ranking officials were dismissed. However, that did not affect the fact that the majority of Macedonians believe their political parties are corrupt and that corruption continues to have a decisive effect on the business environment.<sup>11</sup>

Further criticism was voiced in August 2004 by the newly established State Commission on the Prevention of Corruption, which has complained that it does not have access to the majority of ministries (with the exception of the Ministry of the Interior) for its inquiries and other activities.<sup>12</sup>

The governing coalition itself was concerned with a completely different set of problems. It was not long before the differences between the ethnically Macedonian parties and the Albanian party in the coalition made their presence felt. On the one side were experienced and shrewd politicians, well versed in the ways of government and the parliament, on the other side was a collection of novices who still had to fuse together into a party and were having to learn to govern at the same time.

#### *DUI: Balancing Consolidation and Governing*

On entering government, the DUI was a none-too-closely knit association of three main interest groups, each of which had to cater for a portion of the party's electoral base.

These included, first of all, the faction known as the "diaspora group", consisting of Ahmeti's closest confidants, who were mostly long-term political *émigrés*, as was Ahmeti himself. This group demonstrated a tendency to isolate itself within the party – one factor being its members' far-left past – and often acted as an ideological elite. Within this group, decisions tended to be made on a person-to-person basis, and thus lacked transparency. Objections made by the party base were simply ignored and initially there was little control over the various local associations, each of which had its own power struggle. The group was dominated by people from the Kicevo region, the homeland of Ahmeti. Those who had contributed to the UCK's struggle from abroad received government positions. One such was Musa Xhaferi, who was made deputy prime minister, and Agron Buxhaku, the current Transport

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11 Cf. Transparency International Global Corruption Barometer 2003, at: [www.transparency.org/surveys/barometer/barometer2003.html](http://www.transparency.org/surveys/barometer/barometer2003.html).

12 Cf. press release from the National Commission for the Prevention of Corruption, 5 August 2004, reports in the media on 6 August 2004 (Dnevnik, Utrinski Vesnik, Vreme).

Minister. Others who had been actively involved in the conflict, including Ahmeti himself and his uncle and mentor Fazli Veliu, were happy to receive seats in parliament.

This group must be contrasted to the group known as the “politicians”. It consists of individuals who had belonged to Macedonia’s other Albanian parties before the DUI was founded or had played a role in society as independent intellectuals. They had some experience of the work of government and parliament and received several key positions as a result. The fact that they had not been involved in the conflict of 2001 meant they were accepted more readily by the Macedonian parties than those who had been high-ranking members of the UCK during the conflict. This group includes the Education Minister, Azis Pollozhani, and the Deputy Leader of the DUI, Teuta Arifi.

A third group, dubbed the “military wing”, consists of former military commanders of the UCK who later joined the DUI.<sup>13</sup> Their influence is based on the former regional brigades of the UCK, and their support is correspondingly strong in the villages and communities of the former conflict areas (although it tends to be largely restricted to these areas). This group was suspicious of the others, particularly at the start, and it remains the source of occasional internal opposition to Ahmeti’s policies. The party’s General Secretary, Gëzim Ostreni,<sup>14</sup> who enjoys considerable respect and has a strong personal profile, is this faction’s key representative in the party leadership.

Ahmeti is regularly attacked by influential warlords, who are particularly concerned to encourage him to keep the promises made in 2001. The party rank and file are above all unhappy because no jobs have been created, the standard of living in rural areas remains low, and only senior party officials benefiting from participation in government. The impression that an elite group has assembled around Ahmeti and has taken charge of the party is taking the shine off the myth of the rebel leader, who, furthermore, tends to make a weak impression at public appearances.

The appearance of several armed groups during 2003, some styling themselves members of the Albanian National Army (AKSh<sup>15</sup>), as well as a number of terrorist attacks, some involving loss of life,<sup>16</sup> underline the iden-

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13 A small number of former UCK commanders joined the DPA or the National Democratic Party (NDP), including Xhezair Shaqiri (Commander Hoxha), who is probably Ahmeti’s strongest rival.

14 Ostreni was an officer in the Yugoslav People’s Army and participated in the wars in Croatia and Bosnia as an officer in the Croatian army’s “Albanian Brigade”. He later played an important role in the Kosovar UCK/KLA and became Agim Ceku’s deputy and chief of staff of the Kosovo Protection Corps.

15 Albanian: Armata Kombëtare Shqiptare, a paramilitary underground organization that aims at the unification of all Albanian territory; it is the military arm of the Front for Albanian National Unity, Albanian: Fronti për Bashkimi Kombëtar Shqiptar. Several AKSh leaders were arrested in Albania and Germany in 2003.

16 On 27 December 2002, a bomb with a time fuse exploded in front of a high school in Kumanovo, killing one passer-by. By chance, the pupils were still in the school two minutes after the time when classes usually finish. If they had left as normal, there would have

tity crisis the DUI faced in its early days. Who these groups were serving remains unclear to this day. What is certain, however, is that one of their goals was to undermine the DUI's claim to represent the interests of former UCK fighters. Another may have been to assert their right to certain areas of influence; in other words, to give a sign to the DUI leadership that there are some areas they cannot control. Significantly, the areas in question are not only centres of power of a number of warlords, but are also located on ancient smuggling routes, which are now no longer used "merely" for smuggling, but have become home to organized crime in its most modern form.<sup>17</sup> *Honi soit, qui mal y pense.*

After the extraordinary presidential election in spring 2004, the DUI started to appear more stable. This was reinforced by a change of mood among the population in the Albanian dominated communities, in which the Albanian language and culture are free to develop and largely free of state control.<sup>18</sup> Fears remain, however, that this cultural flowering is being achieved at the cost of the local Macedonian minority.<sup>19</sup>

The DUI leadership – and Ahmeti in particular – continues to appear isolated. The positive mood that currently prevails may be traced back to a desire to put on a display of unity as the world looks on during the upcoming local elections.

### *Change at the Top and Inner-Party Conflict*

On 26 February 2004, President Boris Trajkovski died when the plane carrying him crashed in Bosnia. He had six months of his presidency still to serve. This tragic accident was a shock not only for the Macedonian people, but above all for the political system. Many observers are sceptical as to whether

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been a bloodbath. On 5 March 2003, a mine exploded near the Serbian border, killing two Polish NATO soldiers and two of their local support staff. Not long afterwards, bombs were also detonated on the Belgrade-Skopje railway line; one group kidnapped two police officers, sparking a police operation involving all the international organizations based in the area. Finally, several mountain villages were declared "liberated" by a different group, which also elicited a response by the police.

- 17 During the 2001 conflict, at least one factory producing illegal drugs was destroyed in the village of Aracinovo near Skopje.
- 18 A clear indicator is the number of monuments that have recently been erected illegally to Albanian heroes. The most prominent example is probably the monument to Adem Jashari, the central hero and martyr of the Kosovar UCK, which has a prominent position in the mountains above Tetovo.
- 19 Recent years have seen a slow but steady stream of Macedonians emigrating from Tetovo in particular. The willingness of those who were driven out of the city as refugees during the conflict in 2001 to return also remains very low. Many still live in mass accommodation in the capital, Skopje. The mood is often determined by ill-advised symbolic acts. For instance, on the national holiday (August 2) in 2004, the Macedonian flag was not displayed in Tetovo. The impression of a city state within a state, where different rules apply, is hard to deny.

his successor, Branko Crvenkovski, is capable of fulfilling the role that Trajkovski filled so well of a national integrator possessing moral integrity.

Preparations for the presidential elections, which were planned for the autumn, had not yet properly begun and most candidates had not yet been chosen. Now it was necessary to act quickly. During this process, splits apparently emerged within the governing SDSM party, whose full implications will only become apparent in the coming months. One sign of this is the fact that Trifun Kostovski, a parliamentarian and successful businessman, who, although not affiliated to any party, was elected on the SDSM list, has come out in opposition to the SDSM leader Crvenovski, and is seeking to found a party of his own, at whose head he plans to stand for the office of mayor of Skopje. Until February 2004, he was being mooted as a possible presidential candidate of the government party.

The election<sup>20</sup> of Crvenkovski, the then prime minister and leader of the SDSM, as president in April 2004 meant that he had to give up both the positions. While the position of prime minister was filled by the Minister of the Interior, Hari Kostov (who succeeded in quickly forming a new government), the position of party leader remained vacant. The result of the referendum on decentralization, scheduled for 7 November, is bound to have an effect on the election of a new party leader, which insiders believe will be accomplished at a party conference before the end of the year. In the meantime, potential candidates will try to score political points – and where could they better do that than in the highly politicized decentralization debate?<sup>21</sup>

The VMRO-DPMNE opposition found it hard to cope with the loss of power at the end of 2002. Long-time party leader and former prime minister, Ljubco Georgievski, was replaced by Nikola Gruevski, who then wasted no time in trying to remove Georgievski loyalists from the centre of power. The subsequent internal conflict has escalated to the extent that the party now looks likely to split. In July 2004, close associates of Georgievski founded a new party, the VMRO-People's Party. The only goal of this faction, whose members are also members of the VMRO-DPMNE "parent party", is to bring down Gruevski and his group. There is considerable evidence that Georgievski enjoys significant support among the party rank and file and younger members, while Gruevski is favoured by the party leadership. If these factions should clash during the local elections, this is likely to benefit the

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20 The two rounds of voting, on 14 and 28 April 2004, were not without incident. A disputed ruling of the national election commission to accept no legal suits, as they would have not affected the final result, although technically correct, is seen by the opposition as proof of how the governing parties' power has made them arrogant, and is certainly a sign of political immaturity.

21 Strong criticism was also heard from the ranks of the SDSM itself with regard to the way compromise was reached in the decentralization debate, most recently from Tito Petkovski, who is almost certain to stand for the office of party leader. He is likely to be opposed by Finance Minister Nikola Popovski, Deputy Prime Minister Radmila Sekerinska, Foreign Minister Ilinka Mitreva, and, probably the candidate with the best chance of all, Defence Minister Vlado Buckovski.

SMDS, which is otherwise threatened with the loss of a not inconsiderable proportion of its supporters. The situation is made increasingly complicated by the fact that Dosta Dimovska, formerly Georgievski's closest associate and mentor, has also founded her own party, the Democratic-Republican Union of Macedonia.<sup>22</sup> This raises the number of VMRO-DPMNE splinter parties to five.

Although it was one of the losers in the last two elections, the only party displaying any kind of confidence is the Albanian DPA. In the last 18 months, the party's leader, Arbën Xhaferi, has repeatedly demanded a territorial solution to the ethnic question, thus falling back on the position that he had supported before his party joined the coalition government in 1998-2002. Nor has he held back in criticizing the implementation of the Ohrid Framework Agreement and the governing DUI party, which he accuses of failure. Although, for reasons that will be elucidated below, Macedonia's Albanian population can consider itself the winner in the decentralization debate, time will tell how much frustration has been generated with regard to the DUI's failure to keep its electoral promises. The DPA is gambling on this and expects to win in the forthcoming local elections.

#### *Focus of the OSCE Mission's Activities*

Since the OSCE Mission's work was defined in the Ohrid Framework Agreement, certain details of emphasis may have changed, but its main focus remains the same. The Mission's police contingent, the OSCE Police Development Unit (PDU), retains a very prominent position.

Following the completion of the process of restoring the police presence in the former conflict zones, the training of police officers returned to the top of the agenda. This includes the continuation of the training programme at the police academy in Skopje: a crash course to prepare new police officers for deployment in the former conflict areas, which is attended by recruits from ethnic minorities (mostly but not only Albanians) and a contingent of ethnic Macedonians. Another component comprises training and education measures designed to familiarize the Macedonian police with the concept of community-based policing.

In addition, regular discussions are held in the community by "citizen advisory groups", a concept that has been introduced as a confidence-building measure. These aim to encourage the involvement of the population in the work of the police, and in discussing issues such as amnesties for former fighters, freedom of movement, and key aspects of policework. This has proven particularly difficult and the cultural advisability of such initiatives remains questionable: In a largely traditional rural (i.e. patriarchal and hierarchical) environment, to organize discussion groups of this kind, in which

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22 Macedonian: Demokratsko Republikanska Unija na Makedonija.



citizens, local administrators, and the police sit down together to discuss priorities, is audacious to say the least. It would certainly be interesting to thoroughly examine the effectiveness of such sociological experiments. What is certain is the need to subject the police to some kind of democratization process and to achieve greater citizen participation. However, in a region whose citizens have undergone decades of communist pseudo-participation, and where the holding of meaningless meetings was an established ritual, a different approach is called for. Furthermore, the society is still so politicized that there is a danger of any such discussions being taken over by interest groups.

The OSCE is withdrawing from the process step by step, and the first of the citizen advisory groups passed into local control in the summer of 2004. Whether they represent a sustainable means of ensuring intercommunal communication, only time will tell.

In addition, the establishment on 15 December 2003 of "Proxima", the EU police mission in Macedonia, raises the question of whether it is sensible to retain a police contingent within the OSCE Mission, or whether its existence merely adds to the confusion that reigns in Macedonia over the tasks and mandates of the various international organizations.

Several programmes have been introduced to support reforms in the areas of rule of law and justice. Among the various institutions supported by the OSCE – and not only in Macedonia – the office of the ombudsman plays a central role. The Framework Agreement calls for this institution to be strengthened, something that is only possible with additional help in the form of training programmes. The OSCE is involved in establishing six regional offices.

A further key focus of the Mission's work is the modernization of the court system, which aims to create a more responsive and citizen-friendly judiciary by improving communication and transparency in the courts. The Mission's activities here include monitoring trials, working to improve the provision of legal advice in remote areas, and supporting NGOs that are active in this area.

One topic that is of particular concern in Macedonia is efforts to combat trafficking in women. Macedonia is not only a transit country but also a market for forced prostitution. The embroilment of politics and the state apparatus with smuggling rings together with the general taboo on raising the topic of prostitution have, in the past, made it easier for this sector to become established. The Mission was already active in this area before the 2001 conflict, and this work can now be expanded, thanks, in particular, to the establishment by the government of a state commission. In Macedonia, as in other countries, the OSCE can make a contribution by providing training programmes for government employees and NGOs.

Two further key problems facing Macedonian politics and society were central to the OSCE's work in recent years: the crisis in education and de-

centralization. The Mission has undertaken a variety of activities, with varying degrees of success. Nevertheless, here, too, there was no sustained political engagement.

### *The Crisis in Education*

The conflict in 2001 caused a dramatic decline in the state of Macedonia's education system, parts of which were already in a disastrous condition. Starting in the towns of Kumanovo and Tetovo, then later also in several rural areas, "mixed"<sup>23</sup> schools were broken up and one part – either the Macedonian or the Albanian – moved into a separate building. Both sides justified this with reference to security problems. The developments were triggered by physical assaults on teachers or pupils.

It has not yet been possible to reintegrate the schools. There are many reasons for this, only some of which are related to the education system. In practical terms, both sides could live with the separation, given that the "half" that is left behind has an entire school building to dispose of. In fact, however, the separation is an attempt to use the education system to divide the affected towns along ethnic lines. This tendency is being encouraged by extremist groups, who find parents and teachers easy to manipulate – especially by appealing to parents' concern for the safety of their children.

Neither the Ministry of Education nor other actors, including the OSCE Mission, have yet found an answer to this problem. Each time a solution appears to be a real possibility, new demands are raised. A further obstacle, which particularly applies to the region around Tetovo, is the identity of radical and criminal elements. Only a situation of extreme insecurity allows such people to be welcomed as saviours. Political rivalries are a third factor, and one that should not be underestimated. As long as this situation is maintained, the government and the parties that make up the coalition are constantly confronted with the evidence of their failure. This weakens them while strengthening local rebels. This applies to the SDMS and the DUI, to say nothing of the opposition parties. The real losers in this cynical game are the schoolchildren. Since 2001, teaching has been significantly affected by the exceptional circumstances, and there have been cuts in both the number of teaching hours and in the content of curricula. The decline in quality is already easy to observe. Children from these areas face long-term disadvantages.

There have so far been no serious attempts to ensure that Macedonian and Albanian children attend the same school classes. To stop the current trend from leading to complete segregation in education it will be necessary

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23 Macedonian schools are not truly mixed. Parallel Macedonian- and Albanian-language streams coexist in the same school building. Most schools apply a system of shifts, and pupils in the different streams only meet at shift changes.

to overcome ethnic divisions and to develop new models of schooling. This is a matter for the Education Ministry and the universities.

A further problem is the government's declaration of intention to establish a new Albanian-language state university in Tetovo in autumn 2004. What appears on the surface as a step in the right direction has hidden problems. For one, Tetovo is already home to the private South East European University (SEEU). This institution, which was founded in 2001 and to which the OSCE made a major contribution,<sup>24</sup> has proven itself a unique model of success in the region. It must be contrasted with the unofficial "Tetovo University" (TU), which is led in part by political firebrands and has become entangled with criminal structures<sup>25</sup> in Tetovo. The government has repeatedly asserted that the founding of the new institution does not amount to recognizing the "TU" by the back door. If Skopje implements its plans, however, Tetovo, a town with just under 100,000 inhabitants, would have three universities, which would be competing rather than co-operating. The available academic potential is simply not sufficient to provide quality Albanian-language teaching at three institutions – especially since some of the departments in the new university already exist within the SEEU. It would have been far more sensible for the state to show its interest in the multilingual SEEU by contributing to its funding or even by turning it into a state university. The current situation will only add to the confusion, leaving the education system a hostage to politics. The losers here are once again the young – in this case the ethnic Albanians. In combination with a system of grammar schools whose standards are, for a number of reasons, not very high, the state is only serving to increase the potential for conflict.

The Bulgarian OSCE Chairmanship has declared the problem of education to be the Mission's priority for 2004. In contrast to previous years, however, little has so far taken place to back up these words with deeds. This is one area where the OSCE could actively bring more political weight to bear rather than hoping for change to come from below and relying solely on the strategy of supporting grass-roots efforts. As vital as it is to develop civil society capacities in this area, there is currently an urgent need for rapid solutions.

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24 For more details of the SEEU, see: Max van der Stoep, The South East European University in Macedonia, in: Institute for Peace Research and Security Policy at the University of Hamburg/IFSH (ed.), *OSCE Yearbook 2002*, Baden-Baden 2003, pp. 181-185.

25 One of the most spectacular events of 2003 was the illegal occupation of a tobacco factory in Tetovo and its conversion into premises for "Tetovo University". The mastermind behind the operation, Izahir Samiu, is alleged to be behind most violent appropriations of commercial property in Tetovo. He has been released from prison on medical grounds.

### *The Decentralization Debate*

The major topic of 2004 bar none is the last significant obstacle that stands in the way of implementing the Ohrid Framework Agreement: The reform of local self government. The first stage in this process will be to reduce the number of municipalities from the current 123 to 80 (as the draft law stipulates). In the second place, the new municipalities are to be given responsibility in areas including education and health. Third, secure means of financing these plans must be provided. And fourth – and most controversially – it will be necessary to decide whether the municipal boundaries should be drawn up along ethnic lines or according to objective criteria dictated by local circumstances. This process is being influenced behind the scenes by the Albanian desire for greater autonomy, on the one hand, and Macedonians' fear of federalization and the eventual break-up of the country, on the other.

The reform package comprises four major laws in particular, whose passing would be followed by the amendment or creation from scratch of a large number of additional laws and implementing regulations. The first law, concerning the competencies of the newly created municipalities, was passed in February 2004. After heated debate, the other three laws – the Law on Financing, the Law on the Redrawing of Municipal Boundaries, and the Law on the Capital City, Skopje – were passed in the summer by the government's majority.

In a classic failure of top-down government, the coalition partners negotiated for months over the question of territorial boundaries before announcing they had reached a compromise. The agreement was for two villages to be incorporated into Skopje, giving the capital an Albanian population of just over 20 per cent. According to the Framework Agreement, this would require Albanian to be declared the city's second official language. The compromise also proposed the creation of a new municipality with an Albanian majority in Struga, in the southwest of the country. Negotiations over the third object of Albanian demands, the municipality of Kicevo, were left for later. The discussions were accompanied by protests and, in July, the situation in Struga escalated when SDSM ministers were attacked in the local party office. A broad coalition was formed to oppose the reform proposals, with the lively participation of civil society organizations. In many Macedonian municipalities, referenda were held and showed a majority were against the plans. A petition collected enough signatures to force a nationwide referendum to be held on 7 November. Not only will opposition success in the referendum block the reforms, Prime Minister Kostov has announced that he will step down if he loses. Because of the referendum, local elections have been postponed until spring 2005. Yet there is also controversy surrounding this, as uncertainty remains as to which laws will apply to the elections.

Observing this debate, it is hard to avoid concluding that in some cases decisions are indeed made according to ethnic criteria in order to satisfy the

political appetites of the various communities. It has become apparent that failing to run an information campaign or to encourage inclusive public discussions on the reform plans helped in predictable ways to create and strengthen an opposition movement. The government has obviously not learned from earlier mistakes, e.g. in publicizing the Ohrid Framework Agreement.

In addition, a lack of co-ordination is also responsible for discrepancies in the reform plans. The Ministry for Local Self-Government – one of the smallest government departments – was left to perform this task by itself. Predictably it was incapable of co-ordinating the work of so many institutions and foreign experts in a way that would provide either those actively involved in Macedonian politics or the public as a whole with a clear picture of what the reforms were to entail.

The OSCE Mission, which had made decentralization a central theme long before the 2001 conflict, has organized pilot projects and discussions in attempts to highlight the extent of the reforms and to improve the understanding of the various decision makers involved. At the same time, it has tried to involve those who will be affected by the decisions more effectively in the process, e.g. by granting a greater role for local mayors in the reform discussions. The Mission has also held training programmes for local administrations, creating appropriate materials, and has established links to share ideas with other highly decentralized countries, such as Norway and Germany. The approach being followed stresses strengthening co-operation and communication within municipal administrations, but – and this is a novelty for Macedonia – it equally requires co-operation between local authorities as a precondition for successful local political practice. Even though many of these projects have been greeted enthusiastically, their success or failure depends in the last instance on the major political decisions that are made. This is another area where the OSCE should have been active at the highest political level, especially given the extraordinary passivity displayed during the debate and negotiations by other international organizations, such as the EU, which did little more than acknowledge their support for decentralization in the most vague terms.

### *Conclusion*

Considering how things stood in 2001 at the start of the process, Macedonia has made undeniable progress in implementing the Ohrid Framework Agreement. However, one of the Agreement's most important elements – one that is essential for the continued stability of the country – namely decentralization, is still very far from being completed, and its success is by no means assured.

As well as a deep economic crisis, there is also a crisis of confidence in the Macedonian political establishment. And this could be a cause of further unrest. The major parties are in turmoil and plagued by internal power struggles. As a consequence, it is hard to overestimate the potential for conflict in the upcoming local elections.

Macedonia's application to be accepted as a candidate for EU membership, which was made on 22 March is an important step, even if many critics see it as premature. The ongoing involvement of the EU can certainly be a stabilizing factor if it is guided by the insight that Macedonia is not capable of mastering alone the challenges it faces. If it is granted candidate status in 2005, it could be kept out of the impending debate on the status of Kosovo, with all the conflict potential this entails. This would also contribute to stabilization.

However, owing to the remarkably bad management of the decentralization debate, Macedonia is currently sliding into a political crisis that could be deeper than most representatives of the international community on the ground want to admit. In retrospect, their resolute public opposition to the referendum, based on the hypocritical argument that decentralization at this late stage would threaten to jeopardize the implementation of the Ohrid Framework Agreement and would cause problems for Macedonia's European integration, appears to have backfired by provoking a defiant reaction. The most recent surveys indicate that a majority is in favour of the referendum. Already, an armed Albanian group has appeared in a village near Skopje;<sup>26</sup> the government is wobbling; alternatives are few and far between. All the signs point to a crisis, and proposed solutions are conspicuous by their absence. The policies of the international community, which focus on stabilization, urgently need to be reoriented on crisis prevention – at least in the short term.

In the heated debate on decentralization, it would also be advisable not to give in to pressure from the DUI, but rather to put the two potentially explosive issues – namely the new flag and coat of arms and the law on official languages – on ice for a while.

As far as the role of the OSCE Mission is concerned, it should be noted that, in areas such as decentralization, judicial reform, and human rights, successes have been registered – and these over a significant period of time. With regard to these questions, the OSCE is valued for its expertise and is seen as an organization that is committed to the cause of the ordinary people. The Mission's Police Development Unit continues to tie up the largest number of personnel and the most resources. Consideration nevertheless needs to be made of whether the OSCE and the EU should work out a more rational division of labour in this area to avoid duplication.

It would also be desirable for the OSCE to become politically active once again, above all in areas where it has something to offer, i.e. the support

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26 Cf. *Vreme*, 29 October 2004, reported by the OSCE on the same day.

it can provide through institutions such as the High Commissioner on National Minorities and ODHIR.

The OSCE would also be advised to acknowledge failure in a number of undertakings. For example, the attempt to transform the state television company into a public service broadcaster not under direct government control was not only a costly affair, but must also be considered a failure. Little blame for this can be laid at the door of the OSCE Mission. The fault rather lay with the government and its unwillingness to relax its hold on this key instrument of power. There is little sense in continuing the current programmes. They may serve to provide technical training to staff, but they do not contribute to achieving the reform targets.

A final point concerns staff numbers. It is hard to see why the Mission's strength has remained at the same levels – some 140 international members and 250 local staff – since 2002. A reduction in numbers is required merely to maintain credibility. However, the view that this could be done by simply closing the field offices in Kumanovo and Tetovo should be strongly warned against. The difficulties associated with implementing the decentralization process that are expected for the end of 2004 not only justify a presence in the field – they make one appear indispensable. Sending suitably trained and experienced staff to the affected regions could only help matters.