

EARLY WARNING REPORT KOSOVO

Report # 16

Political and institutional stability
Economic and social stability
Inter-ethnic relations
Public and personal security

January – March 2007

The views expressed in this report are those of the experts and respondents and do not necessarily represent the views of either UNDP or USAID.

In this report, "Kosovo" refers to the UN administered territory according to UN Security Council Resolution 1244.

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Geographic regions based on telephone area codes:



Selected Economic Indicators

	Jan-Mar 2005	Apr-Jun 2005	Jul-Sep 2005	Oct-Dec 2005	Jan-Jun 2006	Jul-Sep 2006	Oct-Dec 2006	Jan-Mar 2007	Trendi
Population (in ,000) (a)	1,999*			2,033**					↔
GDP growth rate (annual), % (a)	0.3			3					↗
GDP per capita, € (a)	1,120 (a)			1,117 (a)					↘
KCB (Annual), million € (b)	641.5			713.2 (l)					↗
Workers' remittances, million €	281.0 (a)			318.0 (a)					↗
Foreign assistance, million € (a)	462.0 *			465.0 *					↗
KPST fund, million € (c)	145.8 (Dec)			167.5 (May) (d)	177 (Sep) (k)	213.0 (Dec) (k)	230.6 (Mar)		↗
KTA fund, million € (e)	113.1 (Dec)			234.9 (Apr)	256.1 (Aug) (h)	275.0 (Dec)	291.6 (Feb)		↗
Bank deposits, million €	704.8 (Feb)	731.2 (May)	765.8 (Aug)	809 (Nov)	844.6 (Apr) (e)	881.6 (Aug) (h)	926.4 (Dec)	973.5 (Feb)	↗
Commercial bank loans, million €	356.5 (Feb)	400.1 (May)	401.8 (Aug)	435.7 (Nov)	459.7 (Apr) (e)	476.4 (Aug) (h)	490.5 (Dec)	515.1 (Feb)	↗
Trade balance, million € (j)	-219.1 (Jan-Mar)	-308.5 (Jan-Apr)	-723.4 (Jan-Aug)	-1028.4 (Jan-Nov)	-537.5 (Jan-Jun)	-761.3 (Jan- Jan-Aug) (j)	-1235.3 (Jan-Dec)	-101.92 (Jan-Feb)	↘
Registered job-seekers	303,095 (Jan)	311,230 (May)	314,446 (Aug)	319,721 (Dec)	323,201 (May)	324,835 (Sep)	326,026 (Dec)	331,056 (Mar)	↗
Consumer Price Index, % (com- pared to May 2002) ***	101.4 (May)	100.0 (May)	98.5 (Aug)	101.9 (Nov)	102.9 (May)	101.3 (Aug) (f)	102.6 (Nov)	100.2 (Mar)	↘
Basic pensions (per month), €	40	40	40	40	40	40	40	40	↔
Voluntary returns	2,126			1,608 (g)					↘

* Estimated

** Projected

*** In January 2006, SOK changed the methodology for compiling CPI. Therefore the comparison of currently produced CPI with the CPI from before January 2006 is not possible

Sources:

a) IMF (2007), IMF Aide Memoire of the IMF Staff Mission to Kosovo, February 19-27, 2007

b) MEF (2006), Budget 2006, MEF, Government of Kosovo, Prishtinë/Priština.

c) KPST (2005), Annual Report 2005, KPST, Prishtinë/Priština.

d) Assessment obtained from KPST through e-mail.

e) CBAK (2006), Monthly Statistics Bulletin, No. 56, BPK, Prishtinë/Priština, April 2006.

f) SOK (2006), Price Statistics Division, Consumer Price Index, SOK, Government of Kosovo, Prishtinë/Priština.

The rest of the figures are from UNDP (2006), Early Warning Report No. 12: October - December 2005, UNDP, Prishtinë/Priština, op. cit.

g) United Nations High Commissioner For Refugees Kosovo.

h) BPK (2006), Monthly Statistics Bulletin, No. 56, BPK, Prishtinë/Priština, August 2006.

i) Ministry of Labor and Social Welfare, 2006.

j) This is the trade deficit for the period Jan-Feb 2007, Statistical Office e of Kosovo

k) This figure is reported at KPST's website, date of release February 7th, 2007

(l) CBAK (2007). Monthly Statistics Bulletin for December 2006. No (64). Prishtina

Selected Indicators from the Opinion Poll

	Jan-Mar 2005 a)	Apr-Jun 2005 a)	Jul-Sep 2005 a)	Oct-Dec 2005 a)	Jan-Jun 2006 a)	Jul-Sep 2006 c)	Oct-Dec 2006 d)	Jan-Mar 2007 e)	Trend
Political pessimism, % ("very dissatisfied" or "dissatisfied" with current political trends)	38.6	35.8	41.0	40.2	43.4	38.7	48.9	50.0	↗
Economic pessimism, % ("very dissatisfied" or "dissatisfied" with current economic trends)	71.1	69.9	68.8	73.3	76.0	70.0	76.2	76.1	↗
Willingness to protest due to economic reasons, %	62.9	63.5	57.4	69.3	62.8	44.0	42.8	46.0	↗
Willingness to protest due to political reasons, %	48.9	48.4	45.4	56.2	45.5	30.6	30.9	28.6	↘
Satisfaction with UNMIK's performance*, %	29.7	41.4	34.5	35.9	30.5	29.9	28.0	26.1	↘
Satisfaction with SRSG's performance*, %	81.2	81.7	69.8	72.0	70.5	34.5	43.6	38.3	↘
Satisfaction with PISG's performance*, %	81.2	67.7	48.7	51.0	43.3	27.2	27.16	34.2	↗
Satisfaction with Assembly's performance*, %	73.7	63.0	59.0	56.2	45.4	43.0	25.6	34.6	↗
Satisfaction with KFOR's performance*, %	81.0	87.3	84.3	86.3	81.0	83.6	77.5	75.4	↘
Satisfaction with KPS performance *, %	86.9	84.4	84.5	84.2	81.8	81.5	72.5	68.5	↘
Feelings of insecurity ("Somewhat unsafe" or "very unsafe" while outdoors)	38.1	36.6	36.7	42.9	35.5	42.7	38.6	43.7	↗

* includes "satisfied" and "very satisfied"

Sources:

a) UNDP (2006), *Early Warning Report No. 12: October – December 2005*, UNDP, Prishtinë/Priština, op. cit.

b) UNDP (2006), *Opinion Poll: January – June 2006*.

c) UNDP (2006), *Opinion Poll: July – September 2006*.

d) UNDP (2006), *Opinion Poll: October – December 2006*

e) UNDP (2006), *Opinion Poll: January – March 2007*

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List of Acronyms

CBAK	Central Banking Authority of Kosovo	MEF	Ministry of Economy and Finance
CPI	Consumer Price Index	MEM	Ministry of Energy and Mining
EAR	European Agency for Reconstruction	MoH	Ministry of Health
EC	European Council	NATO	North Atlantic Treaty Organization
EFC	Economic and Fiscal Council	ORA	Partia Reformiste/Reform Party
ESI	European Stability Initiative	OSCE	Organization for Cooperation and Security in Europe
EU	European Union	PDSRSG	Principal Deputy Special Representative of the Secretary General
EWR	Early Warning Report	PISG	Provisional Institutions of Self Government
EWS	Early Warning System	PER	Project on Interethnic Relations
ICG	International Crisis Group	RTK	Radio Televizioni i Kosovës (Public TV Broadcaster of Kosovo)
IMF	International Monetary Fund	SEE	South-East European
ISSR	Internal Security Sector Review	SOEs	Socially Owned Enterprises
JIU	Judicial Inspection Unit	SOK	Statistical Office of Kosovo
KEK	Korporata Energjetike e Kosovës (Energy Corporation of Kosovo)	SRS	Special Representative of the Secretary General
KFOR	Kosovo Force	UN	United Nations
KIPRED	Kosovar Institute for Policy Research and Development	UNMIK	United Nations Interim Administration Mission in Kosovo
KPC	Kosovo Protection Corps	UNOSEK	United Nations Office of the Special Envoy for Kosovo
KPS	Kosovo Police Service	UNSC	United Nations Security Council
KTA	Kosovo Trust Agency		
LDD	Lidhja Demokratike e Dardanisë/Democratic League of Dardania		
LDK	Lidhja Demokratike e Kosovës/ Democratic League of Kosovo		

Foreword

This edition of the Early Warning Report (EWR) is the sixteenth in the series that commenced in August 2002, under the sponsorship of United States Agency for International Development (USAID) and the United National Development Programme (UNDP). Covering the period from January to March 2007, the report follows the tradition of previous reports by examining the evolving situation in Kosovo under four main areas covering political, socio-economic, interethnic, and security issues. A particular feature of the EWS Project Phase IV is that every quarterly report will draw from the expertise of a diverse pool of analysts.

This edition of the Early Warning Report is published in a period of intensive and important developments with the ongoing negotiations regarding the final status of Kosovo dominating the political situation. In this regard, continued monitoring of early warning indicators may prove to be a necessary tool for obtaining insight into potential conflict-causing factors as well as the opinion of Kosovo people on the negotiations' process.

The EWR Number 16 has four main topics: political and institutional stability, the socio-economic situation, interethnic relations and personal and public security. The analysis of these issues is primarily based on data from a public opinion survey carried out by "UBO Consulting" during the second half of March 2007. This extensive survey measures the perceptions of citizens on the main issues that preoccupy Kosovo society. Some important highlights of the survey are:

- K-Albanians and K-Serbs continue to be deeply divided in their preference for Kosovo's future political status. Independence of Kosovo within present borders remains the preferred option among K-Albanians (96%) while the majority of K-Serb respondents (86%) stated that Kosovo should be an autonomous province within Serbia.
- Economic pessimism remains at 76% in the March 2007 survey, the same as in December 2006 when a 6% increase was registered from the September 2006 poll. This represents one of the highest levels of economic pessimism since the establishment of the Early Warning System in 2002.
- Several aspects of interethnic relations have shown improvements, the most important being the decrease in the number of K-Serb respondents that consider K-Serb-K-Albanian relations as tense and without improvements. There is also an increase in the number of K-Serbs willing to work and live with K-Albanians.

While the report might be of interest to the general reader, its primary intention is to provide monitoring and conflict prevention proposals for action by key actors within the PISG and local leadership as well as development actors, the United Nations Interim Administration Mission in Kosovo (UNMIK) and the International Community. All conclusions and proposed recommendations presented in this report are a result of several rounds of discussions with experts from diverse areas, backgrounds, and institutional settings.

We remain confident that the set of analyses presented in EWR Number 16 will stimulate a lot of thought and discussion among readers and that it will attract appropriate attention from the relevant political and other actors in Kosovo. It gives us great pleasure, therefore, to extend our appreciation and gratitude to the contributing experts that participated in discussions and provided their insights, perspectives, and interpreted the results of opinion poll, and to all those who supported us in the process of completing this edition of EWR.



Frode Muring
Resident Representative

Executive Summary

- K-Albanians and K-Serbs continue to be deeply divided in their preference for Kosovo's future political status. Independence of Kosovo within present borders remains the preferred option among K-Albanians (96%) while the majority of K-Serb respondents (86%) stated that Kosovo should be an autonomous province within Serbia. Only some 1% of K-Serb respondents see partition of Kosovo as the best solution for the final status whereas in June 2006 46.5% of K-Serbs favored this option.
- Compared to December 2006, satisfaction with the performance of the main institutions has dropped. The biggest decrease is in regard to the SRSG, KFOR and KPS, with each institution seeing a drop of approximately 10%. In March 2007, UNMIK has seen the lowest approval ratings in two years.
- Along with the high level of economic pessimism (76%) that remains the same as in December 2006, the March 2007 poll results show political pessimism to be 50%, which represents the highest rate of political pessimism since July 2002, at which time 53% of respondents were not satisfied with the political direction of Kosovo.
- Unemployment continues to be ahead of Kosovo's unresolved political status as the pivotal problem facing Kosovo. In March 2007, unemployment was seen by 35% of respondents as the most important issue facing Kosovo, while some 26% of respondents reported that Kosovo's unresolved political status was the most important issue which is a drop of 8% from December 2006. Poverty was cited by 15% of respondents as the most important issue, the same level as in December 2006.
- Marked improvement in interethnic relations is seen in the most recent survey, where approximately 77% of K-Serb respondents said they would agree to work with K-Albanians, which is an increase of some 3% compared to December 2006 and a 45% increase in comparison to September 2005. A 3% increase in the readiness of K-Albanians to work and live close to K-Serbs has also been noted.
- In March 2007, 26% of K-Serbs considered their relations with K-Albanians to be tense with no hope for improvement which is an increase of some 3% since December 2006

- A decreasing trend of "satisfaction" among K-Serbs with the work of local security institutions such as the KPS and KPC. Compared to December 2006, satisfaction with the performance of UNMIK Police is 7 percentage points lower.
- As of March 2007, some 70% of K-Serbs feel unsafe in the street with an increase of 37% since December 2006 in this regard.

Methodology

The Kosovo Early Warning System Project is a component of UNDP's regional early warning framework. The project aims to build the capacity of local analysts to foresee potential crises, and to advise crisis prevention policies. The Reports are intended as strategic planning, response, and policy tools for development and peace-building actors in Kosovo by deriving recommendations for preventive measures from trend analysis and the monitoring of key sector indicators of fundamental conflict-causing factors. The Early Warning System Project is a UNDP regional initiative; at present most SEE UNDP Programmes produce Early Warning Reports (EWS) on a periodic basis. The Kosovo Early Warning Reports are co-funded by USAID and UNDP and are produced quarterly.

The Kosovo Early Warning Report Nr: 16 has been written by the local UNDP team based on the results of Expert Group meetings and on statistical analysis of an opinion poll conducted by UBO Consulting during the second half of March 2007. The survey was based on face-to-face interviews, and included 1,250 respondents: 851 K-Albanians, 206 K-Serbs, and 192 respondents from Other minorities (44 Bosnian, 22 Gorani, 35 Turk, 35 Ashkali, 37 Roma, 18 Egyptian). The sample was selected through a random sampling method and was stratified on the basis of geographic regions that are based on telephone area codes (7), municipalities (30) and urban rural ratio (1:1). This nationally representative sample is calculated with a confidence level of 95% which yields a confidence interval (CI) of +/- 2.71.

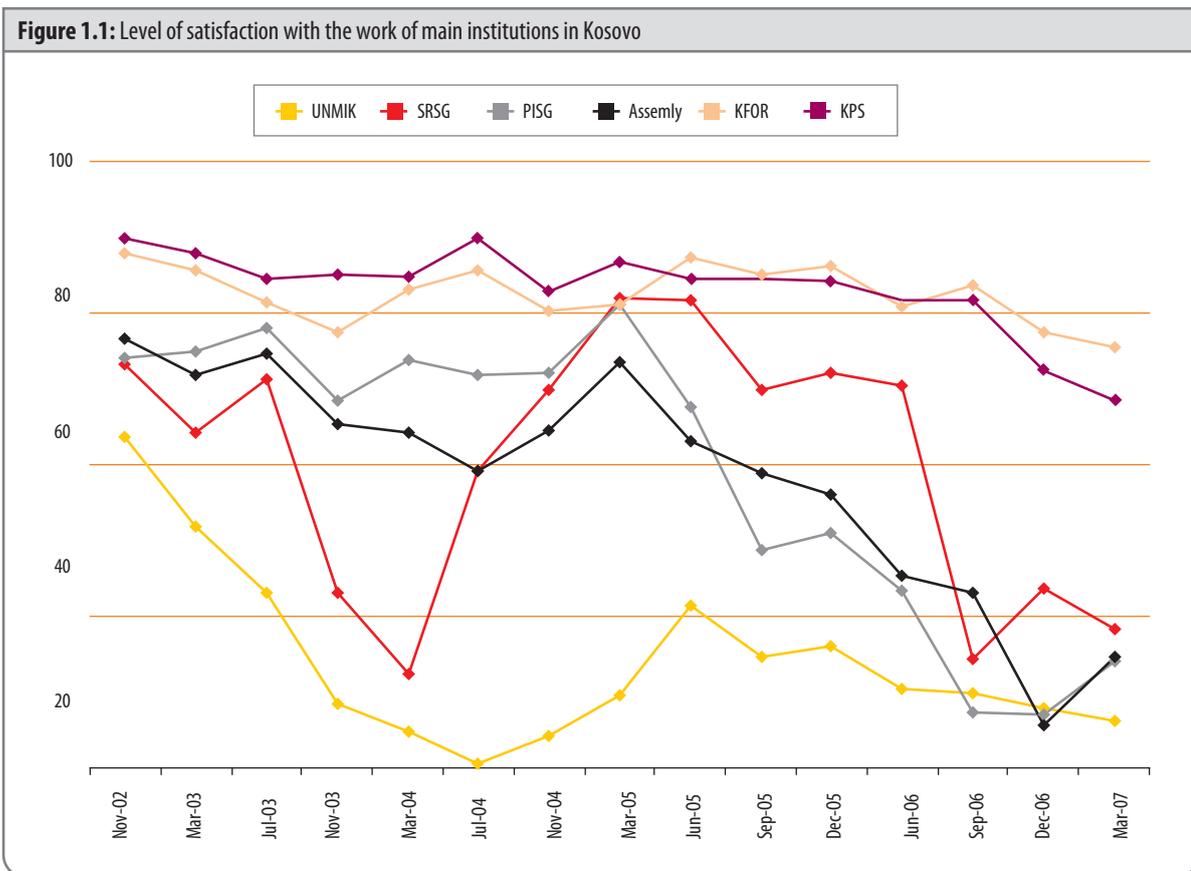
Chapter 1:

KOSOVO'S INSTITUTIONAL AND POLITICAL STABILITY

I. Satisfaction With Kosovo's Institutions

The satisfaction level with key governing institutions has continued to decline in March 2007 (see Figure 1),

Satisfaction with the performance of the Special Representative of the Secretary General (SRS)G which saw an increase from 34% to 43% during the September to December 2006 reporting period, slipped back to 34 % in March 2007. It is important to note that even KFOR and the Kosovo Police Service (KPS), which have enjoyed satisfaction levels of around 80% for the past four years, are now at 70% and 61% respectively. Both institutions have seen their largest decline in satisfaction levels (12 and eight percentage points respectively) and their lowest approval ratings since the establishment of the Early Warning System in 2002.

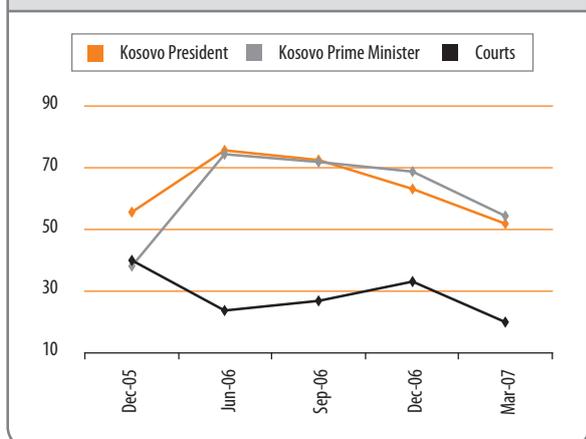


with the exception of a few local institutions that have seen some improvements in their approval ratings. As of March 2007, UNMIK, the Provisional Institutions of Self Government (PISG) and the Kosovo Assembly have the lowest approval ratings among the main institutions ranked, with 26%, 30% and 31% respectively. UNMIK has again surpassed the most ranked institutions (except Kosovo courts) as the institution with the lowest approval rating and has reached its worst performance rating for the past two years.

Compared to December 2006, satisfaction with the Kosovo Assembly and the PISG has increased, from 26% and 27%, respectively to 31% in March 2007.

Adding to the trend of declining satisfaction with institutions are the approval ratings of Kosovo's President, Prime Minister and Courts. Kosovo's President saw a drop of approximately 11 percentage points from December 2006, to the current satisfaction level of 52%. As shown in Figure 1.2, the Prime Minister's approval ratings declined as well, from a level of 69% in December 2006 to the current 54%. Kosovo's courts have reached a new low in this regard, with just 20% of respondents being satisfied with the courts.

Figure 1.2: Satisfaction with the work of President, Prime Minister and Courts in Kosovo

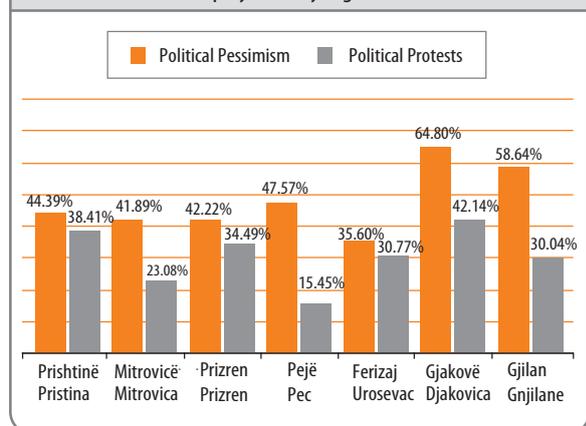


Dissatisfaction with Kosovo’s political direction

During the period of December 2006 to March 2007, poll results show political pessimism to be 50%, which represents the highest rate of political pessimism since July 2002 when 53% of respondents were not satisfied with the political direction of Kosovo.

As seen in Figure 1.3 below, which depicts satisfaction with Kosovo’s political direction by region, Gjakova/Djakovica and Gjilan/Gnjilane have shown the highest levels of political dissatisfaction where 65% and 59% of respondents respectively, stated that they were dissatisfied with Kosovo’s political direction. Rates of political dissatisfaction in these two regions are much higher than the national average of 50%. On the other hand, Ferizaj/Urosevac has seen a major decline in the number of respondents that were politically dissatisfied, a drop from 68% in December 2006 to 36% in March 2006.

Figure 1.3: Distribution of political pessimism, political protest and unemployment by region



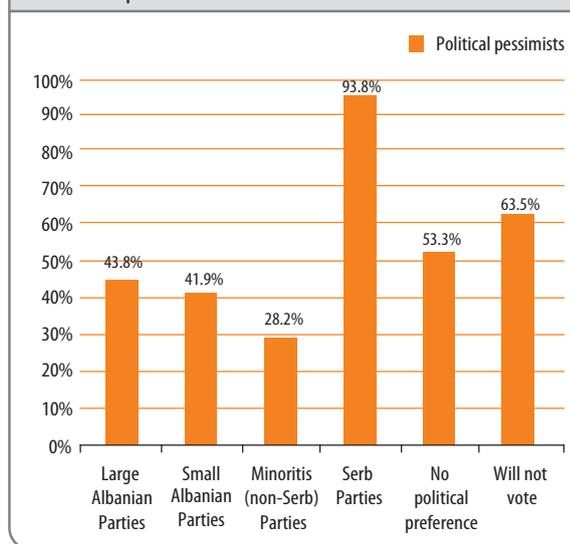
Respondents from Gjakova/Djakovica, unlike in 2006 when respondents from Gjilan/Gnjilane were leading, are now leading with the readiness to protest due to the current political situation, followed closely by respondents from Prishtinë/Prishtina and then those from Prizren/Prizren. Interestingly, respondents from Mitrovicë/Mitrovica¹ and Peja/Pec show the least readiness to protest for political reasons.

Characteristics of Politically Dissatisfied Respondents

Satisfaction with the political situation is related to respondent’s attribution of political responsibility². The majority of respondents that hold UNMIK responsible for Kosovo’s political situation are politically optimistic, contrary to the majority of respondents that hold the PISG to be responsible, who are dissatisfied in this regard.

Most recent survey results show that respondents that lack political party preference together with those that will not vote in the upcoming elections and those that will vote for Serb parties are overwhelmingly dissatisfied with Kosovo’s political developments. On the other hand, respondents that favor Other (non-Serb) minority parties seem to be the least dissatisfied with Kosovo’s political situation. Approximately 42% of respondents that support “Big Albanian” parties and “Small Albanian” parties have declared that they are politically dissatisfied (Figure 1.4).

Figure 1.4: Voting preference of respondents dissatisfied with political situation



¹ Respondents from Mitrovicë/Mitrovica include K-Albanian, K-Serb and Other minority respondents

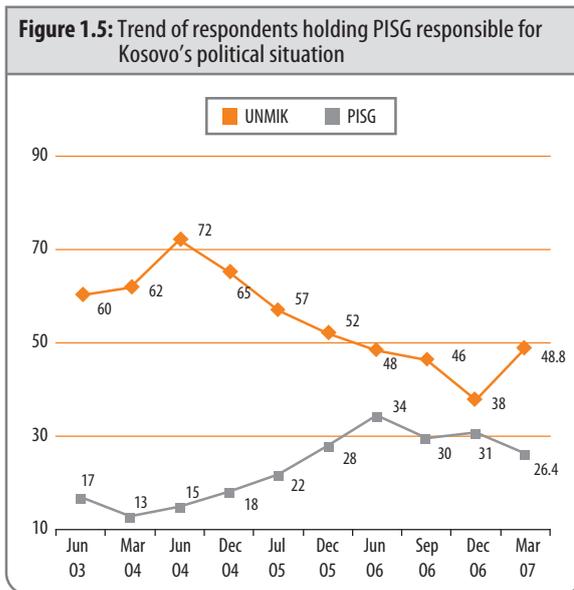
² Correlation is significant at the 0.05 level (2-tailed) with Pearson Correlation of 0.064

³ Correlation is significant at the 0.01 level (2-tailed) with Pearson Correlation of 0.185

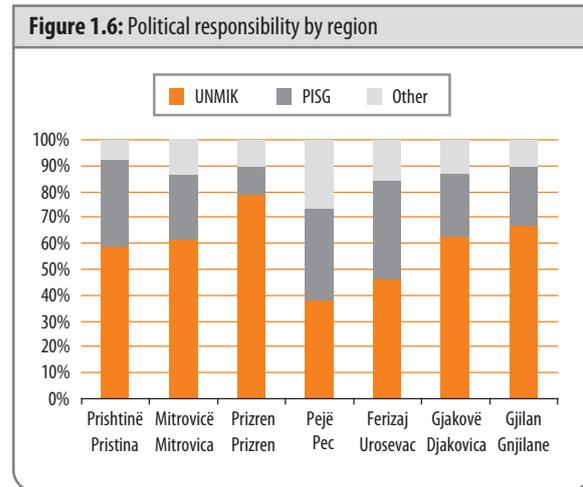
There is a clear association between respondents who indicated that they were not satisfied with Kosovo's political developments and their readiness to protest. Of those that declared that they would protest because of political reasons, 64% were not satisfied with Kosovo's political course³.

II. Responsibility For Kosovo's Political Situation

Forty eight percent of respondents still hold UNMIK responsible for the current political circumstances. On the other hand, as shown in Figure 1.5 below, some 26% consider the PISG to be to responsible. It is interesting to note that the percentage of people holding UNMIK responsible for the political situation was steadily decreasing from June 2004 to December 2006, but has now shown an increase of some 10% in March 2007. Although the percentage of respondents holding the PISG responsible has been on the increase, the latest poll results show a decrease of some 5% in this regard. In June 2004 around 72% of respondents believed UNMIK to be responsible for the political situation while only 15% thought the same for the PISG.

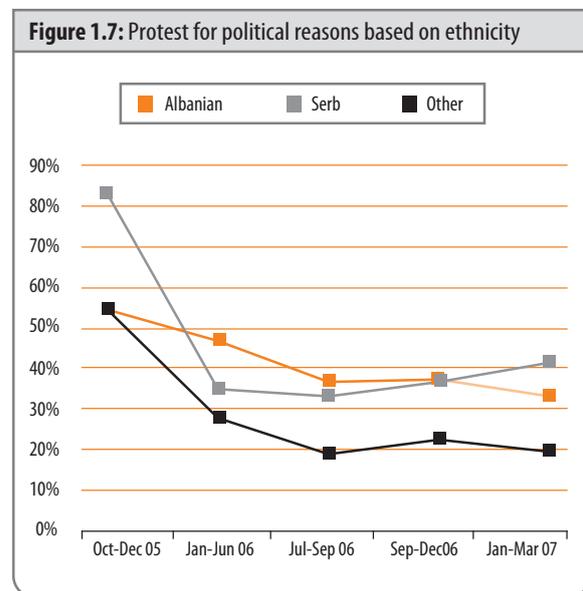


As shown in Figure 1.6 below, respondents in Prizren/Prizren and Gjilan/Gnjilane, overwhelmingly regard UNMIK as the institution being responsible for the current political situation. Other regions in Kosovo have a more equal attribution to UNMIK and the PISG in this regard.

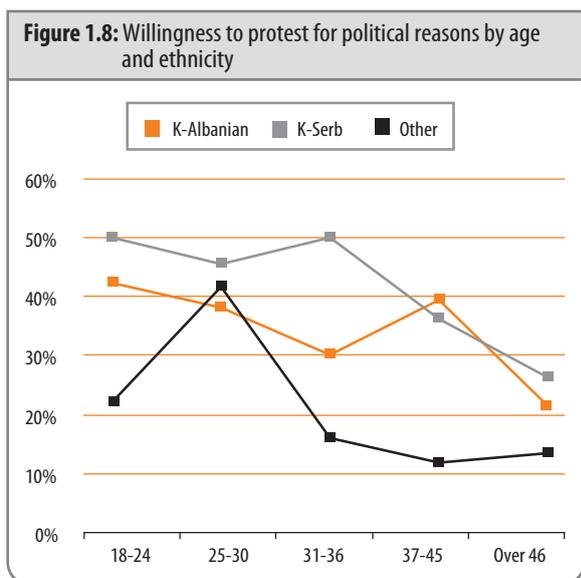


Protesting due to Political Situation

Since December 2005, when opinion poll results showed all time high rates of willingness to protest for political reasons, there has been a continuous decline in that regard (Figure 1.7). In March 2007, the willingness to protest for political reasons continues to show a decreasing trend for K-Albanians (from 37% in December 2006 to 32% in March 2007) and Other minorities (from 22% to 19%). Among K-Serbs there is a small increase in this regard (from 37% in December 2006 to 41% in March 2007). As seen in Figure 1.8, younger age groups in all ethnic groups have a slightly higher willingness to protest.



³ Correlation is significant at the 0.01 level (2-tailed) with Pearson Correlation of 0.185



III. Opinions For The Best Solutions For Future Status And The Ahtisaari Proposal

Opinions for the best option for future status

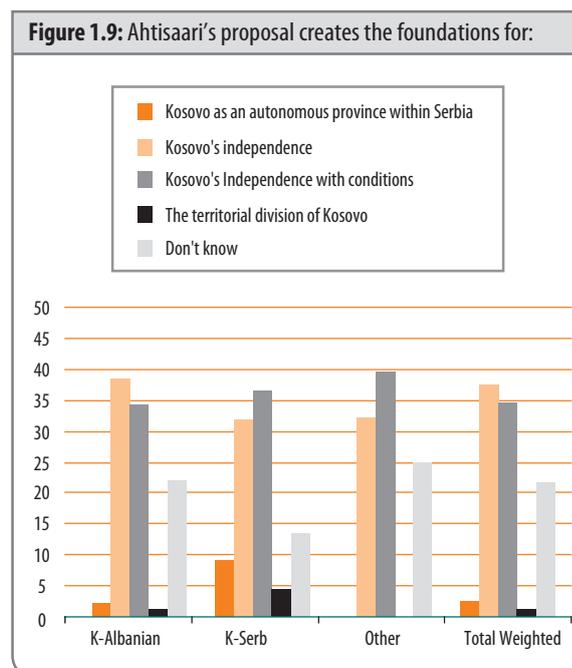
Regarding the best option for Kosovo’s future status, there is little change from responses given in the December 2006 poll. Approximately 89% of respondents (Table 1.3) indicated that independence for Kosovo would be the best option for Kosovo’s political status. Five percent of respondents indicated that an autonomous province within Serbia would be the best solution and approximately 3% said that unification with Albania would be the best solution. Based on ethnicity, 96% of K-Albanians consider independence as the best choice for Kosovo. Approximately 86% of K-Serbs consider the status of an autonomous province within Serbia to be the best option. The majority (80%) of Other minorities have indicated that the best option for the future of Kosovo would be its independence within present borders while some 13% of Other minorities (far higher than with K-Albanians or K-Serbs) stated that they don’t know what the best solution would be.

Table 1.1: Best solutions for Kosovo based on Ethnicity

Which solution do you think is the best for the future political status of Kosovo?	K-Albanian	K-Serb	Other
Independence of Kosovo within present borders	95.9%		80.3%
Partition of Kosovo	0.4%	1.0%	1.6%
Same as now (International protectorate)	0.1%	5.3%	3.6%
Unification with Albania	3.1%		
Confederate state within Serbia, such as Montenegro		1.5%	0.5%
Autonomous province within Serbia		86.4%	0.5%
Don't Know	0.5%	1.9%	13.0%
No Answer	0.1%	3.9%	0.5%
Total (%)	100	100	100

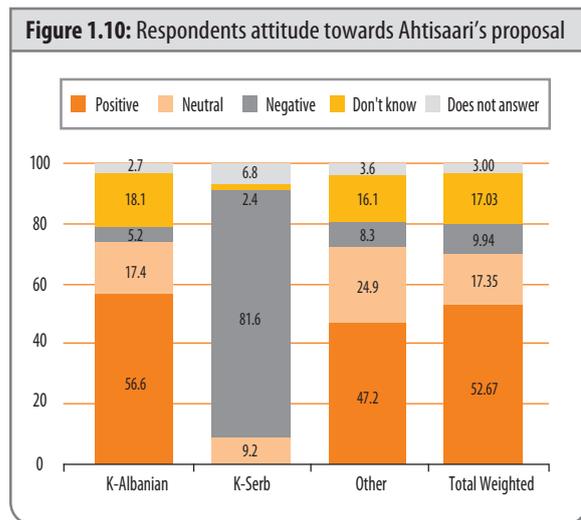
Ahtisaari’s proposal

When asked about recent political developments and specifically about the Ahtisaari’s proposal, the overwhelming majority of respondents from all ethnicities in Kosovo stated that they believe the proposal creates the foundations for Kosovo’s independence, with some 38% considering the proposal promotes unconditional independence and some 35% believing it creates the foundations for Kosovo’s independence with conditions. These results can be seen in Figure 1.9.

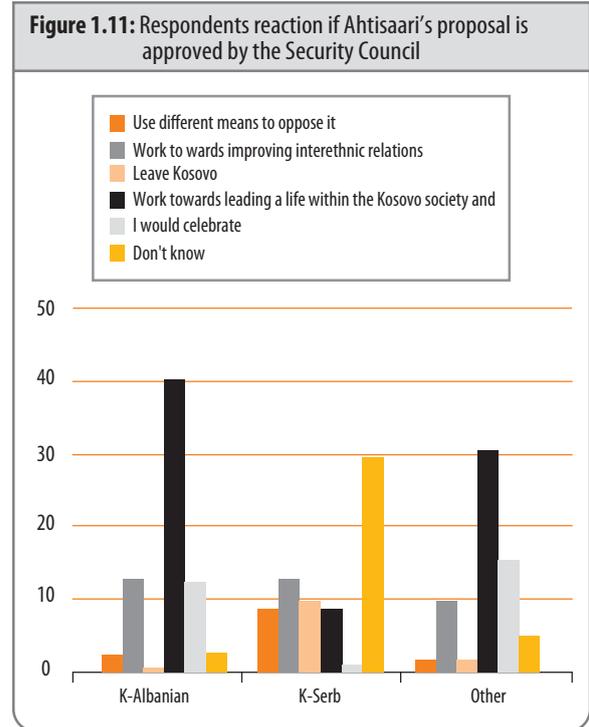


Asked about whether Ahtisaari’s proposal is in someone’s favor the majority of all ethnicities in Kosovo believe that Ahtisaari’s proposal is in someone’s favor. However depending on ethnicity there are different opinions on whose favour it is, while 97% of K-Serbs consider Ahtisaari’s proposal to be in the favor of K-Albanians, most K-Albanians and other minorities in Kosovo, believe that Ahtisaari’s proposal is in Kosovo’s favor. Approximately 52% of K-Albanians and 71% of Other minorities believe that Ahtisaari’s proposal is in Kosovo’s favor, with only 38% of K-Albanians and 6% of Other minorities stating that its in Kosovo Albanians favor.

Regarding the respondents’ overall attitude towards the proposal, the majority of K-Albanian (57%) and Other minority respondents (47%) have a positive attitude, while the vast majority of K-Serbs (82%) have a negative attitude towards the proposal, with some 9% declaring a neutral attitude (Figure 1.10).



The majority of K-Albanian and Other minorities stated that they would work towards leading a life within Kosovo society if Ahtisaari’s proposal is approved by the Security Council. While the majority of K-Serb respondents stated that they don’t know how they would react if the proposal is approved, some 13% stated that they would work towards improving interethnic relations in Kosovo, and some 10% declared that in such case they would leave Kosovo (Figure 1.11).

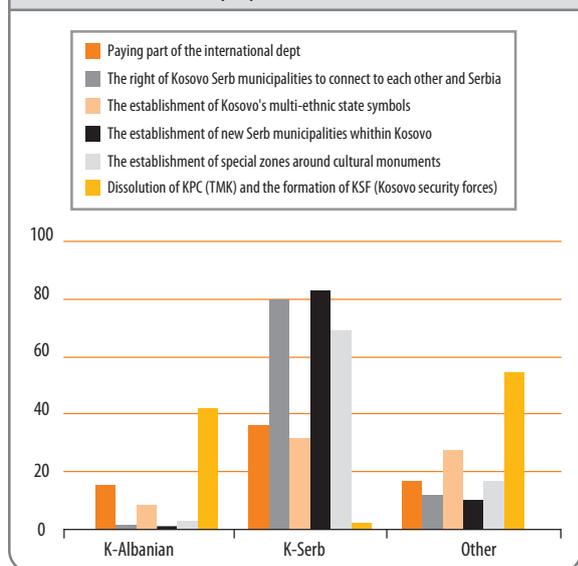


As seen in Figure 1.12, the majority of K-Serb respondents agreed with Ahtisaari’s proposal for the right of Kosovo Serb municipalities to connect with each other and to connect with Serbia, as well as for the establishment of new Serb municipalities within Kosovo and for the establishment of special zones. On the other hand, the majority of K-Albanians and respondents from Other minorities disagreed with these points. Thus it is important to note that while K-Albanians and Other minorities have a positive overall attitude to the Ahtisaari proposal they are negative about certain elements of the proposal while for the K-Serb population the opposite is true; K-Serbs have a negative overall attitude toward the proposal but are positive about some of the main elements (Figure 1.12).

⁷ In order to analyze EWS 15 Opinion Poll results, experts from various fields were invited to a focus group. Detailed information on participants is provided at the beginning of the report.

⁸ UNDP (2006), Opinion Poll: October – December 2006.

Figure 1.12: Respondent's agreement with several elements of Ahtisaari's proposal

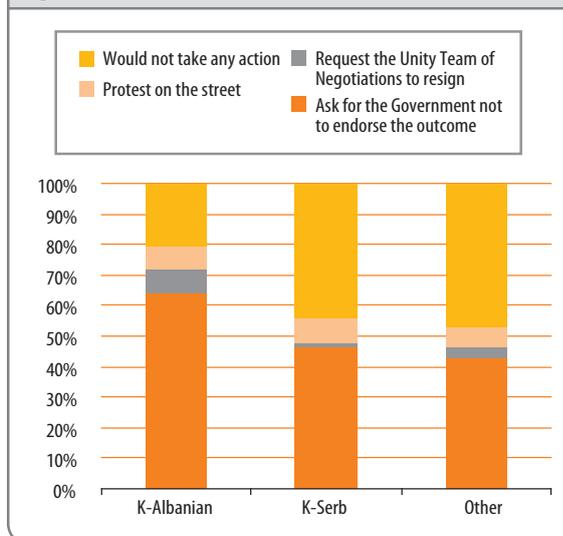


Responsibility on informing public on negotiations process and

Asked on who has the prime responsibility to inform public on negotiations process the majority of K-Albanians consider that it is the responsibility of the Unity Team to inform people on developments from negotiations. K-Serbs on the other hand stated that according to them UNMIK has the prime responsibility to provide this information. For Other minorities in Kosovo, the Kosovo Government is considered responsible in informing people on the negotiation process.

The majority of K-Albanian respondents stated that they would ask the government not to endorse a final outcome which is undesirable (Figure 1.1.3) while some 9% stated that they would protest on the street if an undesirable outcome is reached; 20% said they would not take any action. K-Serbs and Other minorities were equally divided between asking the government not to endorse the outcome and not taking any action if an undesirable final status is reached.

Figure 1.13: Reactions to an undesirable Kosovo final status⁴

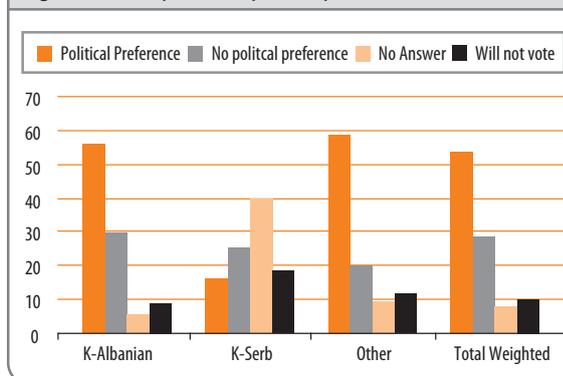


IV. Political Pessimism And The Decline Of Satisfaction With Insitutions

Decrease in Citizen Participation

When asked about their potential voting and party preferences, the majority of K-Albanian and Other minority respondents stated that they had political preference, whereas some 30% of K-Albanian respondents and 20% of Other minority (except K-Serb) respondents stated that they had no political preference. Some 9% of K-Albanian and 11% of Other minority respondents stated that they will not vote in the upcoming elections. Some 19% of K-Serb respondents declared that they would not vote in the upcoming elections, and another 25% had no political preference. Approximately 17% of K-Serbs respondents stated political preference (Fig 1.14)⁵.

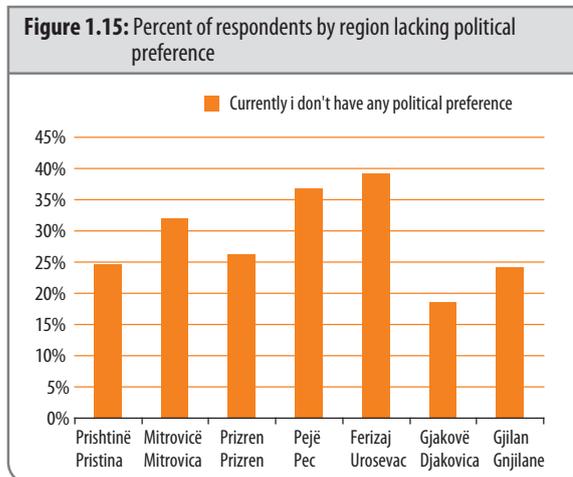
Figure 1.14: Respondent's political preference



⁴ It should be noted that Government was not specified and with this regard it may be that K-Serb respondents might have referred to Government of Serbia

⁵ UNDP (2006), Opinion Poll: January – March 2007.

As seen in Figure 1.15, the majority of respondents from Ferizaj/Urosevac, Pejë/Pec, and Mitrovicë/Mitrovica seem to be undecided about their voting preference, whereas respondents from Gjakova/Djakovica region do have a political preference.



V. Conclusions of Expert Group on Institutional and Political Stability Issues

According to the Expert Group convened to discuss the results of this EWS Opinion Poll, the following are worrying trends that require special attention:

- Increase in the dissatisfaction with the work of governing institutions, particularly that of UNMIK and other international organizations.
- Diametrically opposing views of K-Albanians, Other minorities and K-Serbs on the preferred option for the final status of Kosovo.
- The general dissatisfaction among respondents from all ethnicities, with the work of institutions in Kosovo.
- The considerably high number of K-Serb (30 %) respondents who have stated that they don't know how they will react if Ahtisaari's proposal is approved by the Security Council.
- The overall high level of political pessimism and especially the high level of dissatisfaction with the direction of Kosovo among respondents from Gjakovë/Djakovica and Gjilan/Gnjilane.
- Different assessments and evaluation of the overall Ahtisaari proposal and elements (annexes) of the proposal depending on the ethnicity of respondents. While the majority of K-Albanians support Ahtisaari's proposal as a whole package, the majority of K-Serb respondents do not support it.

port it. On the other hand, the majority of K-Serbs support key elements of this proposal which the majority of K-Albanians do not support.

The following factors have been identified by the Expert Group as elements contributing to institutional and political instability:

- Continuous delays and increased complexities in the final status solution, especially divisions within the Security Council that might have negative effects in Kosovo.
- The perception that recent developments in relation to the future status of Kosovo are being handled by international organizations while Kosovo institutions play only a minor role.
- The decline in satisfaction with institutions may be related to an overall stagnation in political developments, associated with weak results from all political actors especially with regards to fighting corruption and establishing the rule of law.
- The fact that apart from the issue of Kosovo's status, very little information is exchanged between K-Albanians and K-Serbs on many other issues concerning both communities.
- The final status negotiations and Ahtisaari's proposal are considered by the Expert Group to be among the most important elements shaping the overall security situation in Kosovo.
- Continued presence of Serbian parallel structures in Kosovo, the most worrying being the alleged presence of Serbian MUP and other structures for civil defense.
- Lack of legal framework especially for the Kosovo Police Service (KPS) which still works according to UNMIK regulations; since this may be interpreted as a weakness, the Kosovo Assembly should work on legislation to regulate the work of the KPS.
- Lack of legal framework and laws on anti-mafia, organized crime and especially lack of proper legislation on the protection of witnesses.
- Backload of unresolved property cases stemming from the last conflict in Kosovo.

Possible alarming scenarios identified by the Expert Groups

- Ahtisaari's plan for Kosovo is passed by the United Nations Security Council. Kosovo may declare independence, agree to a European supervisory

agency and expect that the United States and the European Union will recognize Kosovo's independence. Expert Groups consider that in such an instance, the K-Serbs from Kosovo's Serb enclaves may protest using various methods. Various political schemes could come to surface, under which Kosovo's Serb population is invited to leave Kosovo as a protest to this new UNSC Resolution.

- Ahtisaari's plan for Kosovo is not passed by the United Nations Security Council. Kosovo may move ahead in unilaterally declaring its independence, without a clear stance if Ahtisaari's plan will be implemented, given it was not supported by the UNSC. Several countries, such as the US, UK and some EU countries may recognize Kosovo's independence; however other EU countries may object to unilateral steps and not recognize Kosovo's independence. This step may also put in question the future of the International Civil Office in Kosovo and that of UNMIK. According to Expert Group meetings, this option is the least productive to Kosovo's situation. It would deteriorate interethnic relations in Kosovo, and relations between Kosovo and Serbia. Under such circumstances, the International Community would not have secured a direct supervision of Kosovo's Institutions respect of minorities and other political developments. UNMIK, with current low approval ratings, may lose its credibility with Kosovo's majority population, thus be unable to secure the rule of law and complicate relations with Kosovo residents and institutions. Expert Group participants consider that under such circumstances UNMIK's position in Kosovo would be quite unfavorable. Experts consider that interethnic relations could dramatically worsen, given the current trend of blame attribution to each other by K-Albanians and K-Serbs. K-Albanians would blame K-Serbs for Kosovo's failed bid to secure the support of United Nations Security Council, thus react angrily.
- If disagreements between the United States, the EU on the one side and Russia on the other side continue, the presentation of the Ahtisaari plan to the Security Council could be postponed, and replaced by an a new Kosovo resolution which entails the same guidance as 1244, thus continuing the status quo in Kosovo, and continuing the authority of UNMIK and KFOR. According to Expert Groups such prolongation of Kosovo's unresolved status would not bode well with Kosovo's Albanian population, although it is considered to provide less tension than if a new resolution

supporting Ahtisaari's proposal is not passed by the UNSC.

Interethnic ethnic tensions may rise, and the satisfaction with the continued presence of UNMIK in Kosovo would be low with the K-Albanian and other minorities (except K-Serb). Kosovo institutions would hesitate to support this "interim" resolution on Kosovo, but may be pressed to do so by the United States and the EU. Kosovo institutions may attempt to calm the K-Albanian population by stipulating that they remain calm and promise a new resolution.

It would be difficult for the K-Albanian population to contain themselves, especially with regard to Kosovo Institutions and UNMIK, however Experts consider that if specific groups fail to organize mass protests, then K-Albanians may wait and remain peaceful.

- K-Albanians and Other minorities in Kosovo (except K-Serbs) have been expecting a solution for Kosovo's political status since 2006, and because of the continuous delays and increased complexities, respondents seem to have increased their disregard for main governing institutions and particularly international institutions. Moreover, divisions within the UN Security Council with regard to Ahtisaari's comprehensive plan on the future status of Kosovo might reflect negatively on the process, legitimizing the different stances of K-Serbs and K-Albanians and resulting in the further polarization of these communities.
- The high expectations regarding the resolution of the future status of Kosovo at the beginning of this year that were encouraged by statements from Kosovo and international authorities have now, according to the Expert Group, been replaced by a "depression" among of Kosovans due to the delays in the process. This might have led to the lower assessment of the work of institutions in Kosovo. For example, the approval ratings for KFOR, which although have not changed dramatically over the past six months have declined somewhat of late, which might be an indicator of citizens increased expectations for change.
- Perceptions that Kosovo institutions do not have a major role in the decision on Kosovo's future status might give the impression that Kosovo institutions are weak and not to be trusted with competencies. At the same time it could be interpreted by the K-Serb population that local institutions don't have the capacity to guarantee the implementation of internationally mandated agreements, especially those regarding the security of minorities.

- With Kosovo's Provisional Institutions of Self-Government having a greater role in all three branches of government (legislative, executive, and judiciary), the attribution of responsibility on the political situation to local institutions will increase. The inverse of this scenario was observed when Kosovo's final status proposal was being developed by Ahtisaaris team and it was perceived that local institutions had no meaningful

"How can Institutions speak of the rule of law, when the people see that the institutions are renting unlicensed buildings, thus becoming part of unlawful activities?"

competencies in Kosovo's political development; during this time the percent of respondents holding UNMIK responsible for political developments increased while those holding the PISG as responsible decreased.

In order to address the issues affecting institutional and political stability the following actions are recommended by the Expert Group:

- That procedures involved in obtaining business licenses, building permits, ID's and travel documents should become more "Customer Friendly" Since this is where citizens interact with governing institutions this may help increase levels of trust.
- That the institutions must work towards developing further policies for combating corruption and increasing transparency; in addition, con-

"Right now, people in Kosovo are imagining the light at the end of the tunnel. They believe that the status is the end of the tunnel, but their needs will increase dramatically after the status issue is solved."

crete steps for implementation of anticorruption strategies and policies should be taken. This may help stem the tide of dissatisfaction with institutions since high levels of dissatisfaction are due in part to the perceived high level of corruption and lack of transparency in Kosovo institutions.

- Further steps should be taken to increase dialogue between different ethnicities with the assistance of local and international organizations. The aim of these activities should be to present perspectives on common problems faced by all in Kosovo as well as on issues specific for each community.

Chapter 2:

KOSOVO'S ECONOMIC AND SOCIAL STABILITY

I. Attitudes Towards Kosovo's Economy

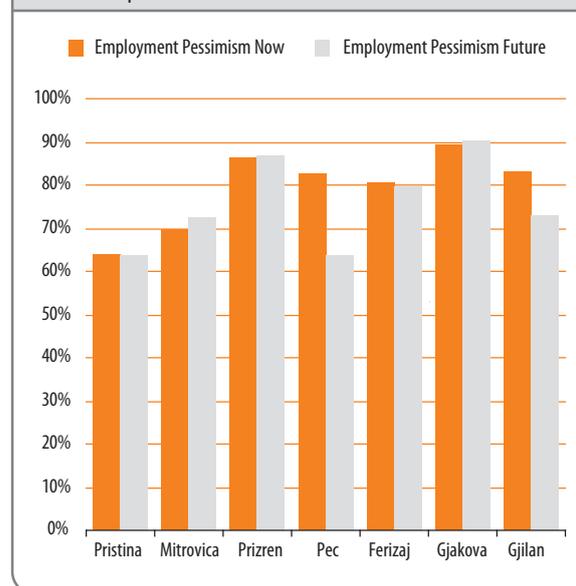
Economic pessimism remains at 76%, the same as in December 2006 which is one of the highest levels of economic pessimism since the establishment of the Early Warning System in 2002. Other indicators including dissatisfaction with employment opportunities and the family economic situation of respondents show similar levels of increasing pessimism.

As shown in Figure 2.1, it is apparent that all regions are dissatisfied with current employment opportunities. However, Gjakovë/Djakovica and Prizren/Prizren, as in December 2006, remain the most dissatisfied regions, where 90% and 86% of respondents respectively, declared dissatisfaction with the current employment situation. It is important to note that while these two regions remain the most dissatisfied in Kosovo, there has been a decrease in the levels of dissatisfaction by some 10% in Prizren/Prizren and 2% in Gjakovë/Djakovica. The regions that have shown the least dissatisfaction with the employment situation include Prishtinë/Pristina and Mitrovicë/Mitrovica with 64% and 69% respectively. A positive change worth mentioning is the fact that Prishtinë/Pristina which is the least pessimistic of all regions has decreased its current employment pessimism levels by 10% compared to December 2006 (from 74% to 64%).

Similar to current employment pessimism levels, respondents are also pessimistic about future employment possibilities in their respective area. However, and in contrast to December 2006, when current and future employment pessimism were at the same level, in March 2007 several regions showed marked optimism on their assessment of employment opportunities six months from the date of the poll (March – September 2007). For example, the Peja/Pec region, which is among the most pessimistic regarding current employment conditions, has a more positive attitude toward future employment possibilities where pessimism for this indicator is 20% lower. Similarly, respondents in the Gjilan/Gnjilane region are 10% less pessimistic when assessing future employment conditions. These two regions show regional optimism in regard to economic development and employment.

However, the regions of Gjakova/Djakovica, Prizren/Prizren and Mitrovicë/Mitrovica are most pessimistic as most respondents there think that employment conditions will deteriorate.

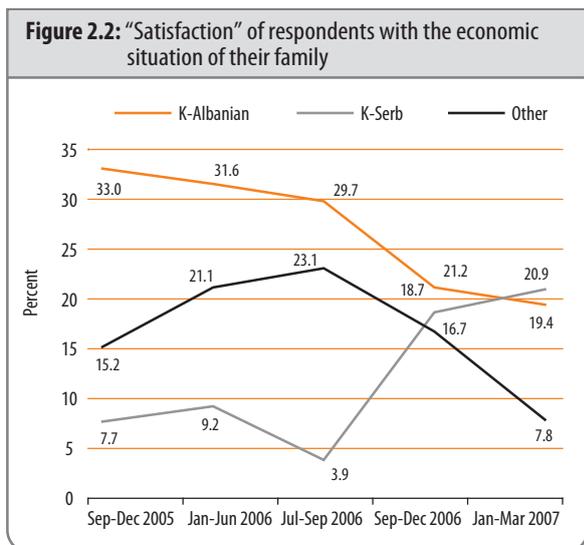
Figure 2.1: Assessments of "Current" and "Future" employment possibilities



It is interesting to note that respondents from Prishtinë/Pristina are somewhat different in their attitudes as compared to respondents from other regions. As can be seen in Figure 2.1 and other regional comparisons throughout this report, respondents from Prishtinë/Pristina regularly differ in their declarations, attitudes and opinions from other regions.

Satisfaction with their household's economic situation

The level of satisfaction of K-Albanians in relation to their family's economic condition has seen a 2% decline since the December 2006 survey (Figure 2.2) when, in comparison to other ethnicities, K-Albanians were the most satisfied with their family's economic situation. However, the March 2007 poll shows K-Serbs to be the most satisfied with their economic situation. Only 8% of respondents from Other minorities were satisfied with the economic situation in their family, which puts respondents from this group to be the least satisfied with their household's economic situation. The satisfaction level of Other minorities has halved since December 2006 when it was around 17%, with current satisfaction levels being the lowest since December 2005.



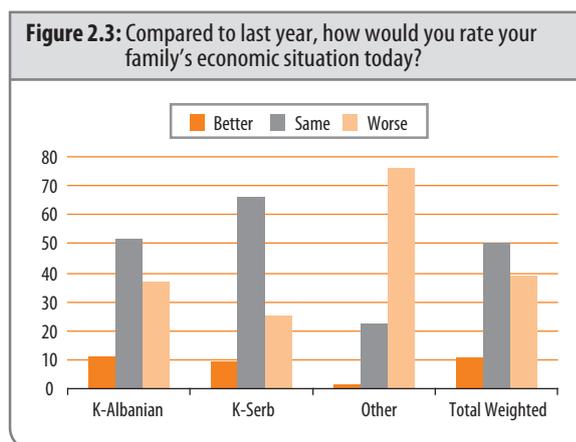
Currently, unemployment is seen as the most important issue facing Kosovo by some 36% of respondents. This surpasses Kosovo's unresolved status which was identified by 26% of respondents as the most important issue, representing a drop of 6% compared to December 2006. Poverty is another important problem facing Kosovo as identified by 15% of respondents.

Kosovo Residents experience high levels of personal anxiety

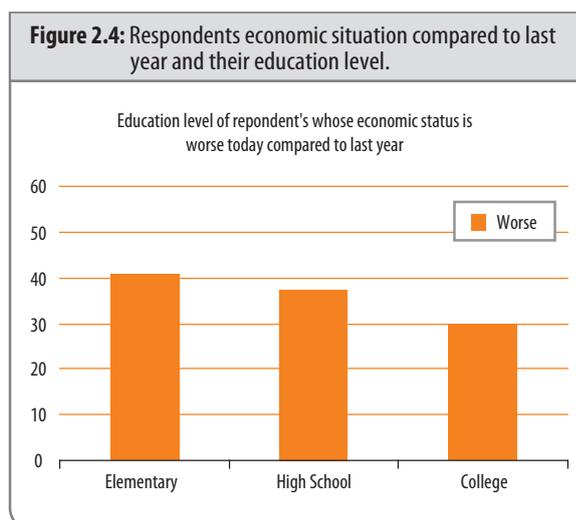
When asked whether they feel anxious during the day, a high number of respondents reported high levels of anxiety. According to results approximately 38% of K-Albanians, 12% of K-Serbs and the majority of Other minorities (54%) feel almost always worried or anxious during the day.

Asked on the reasons of worry and anxiety around 71% of K-Albanians and 78% of other minorities (except K-Serb) reported that they feel worried or anxious because of economic reasons. The majority of K-Serbs (40%) stated that they feel worried or anxious because of their safety concerns and some 18% for economic reasons.

When asked to compare their family's economic situation today with that of last year, the majority of respondents stated that their economic situation had not changed, while some 39% declared that it had worsened. Only 11% stated that their family's economic situation had improved. Based on ethnicity, some 37% of K-Albanians, 25% of K-Serbs and 76% of Other minorities affirmed that their family's economic situation had worsened compared to last year. On the other hand, approximately 51% of K-Albanians, 66% of K-Serbs and only 22% of Other minorities stated that their family's economic situation had remained the same (Figure 2.3).



As shown in Figure 2.4, there is a clear relationship between education and respondents declared worsened economic status. The majority of respondents (some 40%) whose economic situation worsened since last year are those with elementary school education, while 30% of respondents with college education reported the same.



Assessment of business conditions

The majority of survey respondents assessed that Kosovo's current business conditions are unfavourable (Table 2.1). Just 3% of K-Albanian, 5% of K-Serbs and 4% of Other minorities stated that they consider conditions to be favourable for business.

Table 2.1: Assessment of business conditions

Respondent's assessment of current business conditions?	K-Albanian	K-Serb	Other
Unfavourable	58.3%	48.5%	72.5%
Neither favourable nor unfavourable	17.2%	34.5%	11.4%
Favourable	3.1%	4.9%	4.1%
Don't Know	20.4%	7.3%	8.8%
No Answer	1.1%	4.9%	3.1%
Total	100	100	100

Kosovo's Consolidated Budget

There are considerable differences among ethnicities in their assessment of key issues regarding the management of Kosovo's Consolidated Budget (see Table 2.2). As in December 2006, the majority of K-Albanians (50%) believe that "careless spending in luxury goods" is the main problem with the management of Kosovo's budget, whereas the majority of K-Serbs (50%) believe that the main issue is "insufficient capacities and expertise". Of important note, is the large number of respondents from all ethnicities who indicated that they "Don't Know" what the main problem is in regard to the management of Kosovo's budget.

Table 2.2: Main problems in the management of Kosovo Consolidated Budget

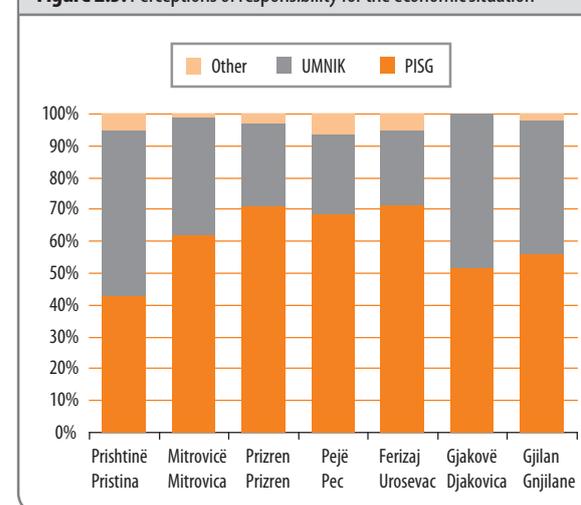
	K-Albanian	K-Serb	Other
	%	%	%
Insufficient capacities and expertise	8.0%	49.5%	3.6%
Careless spending on luxury goods	50.1%	15.0%	39.9%
Non-transparent spending	16.5%	5.8%	16.6%
Too many public sector employees	1.0%	6.3%	1.6%
Don't Know	22.8%	17.0%	36.3%
No Answer	1.6%	6.3%	2.1%
Total (%)	100	100	100

II. Responsibility For Economic Situation, Economic Protests And Voting Patterns

Responsibility for the Economic Situation

The Provisional Institutions of Self Government (PISG) continue to be held most responsible for Kosovo's economic situation. Some 51% of respondents indicated that they hold the PISG responsible for Kosovo's economy while only 34% attributed responsibility to UNMIK.

Regarding this perception, there is wide variability among the regions. As in December 2006, respondents from Ferizaj/Urosevac, Pejë/Pec and Prizren/Prizren continue to overwhelmingly hold the PISG responsible for Kosovo's current economic situation. In contrast to December 2006, when the majority of respondents from Gjiilan/Gnjilane and Gjakovë/Djakovica, held UNMIK responsible for Kosovo's economic direction, in the March 2007 poll these regions together with Mitrovicë/Mitrovica attributed this responsibility to the PISG. The only exception in this trend, are respondents from Prishtinë/Prishtina where the majority hold UNMIK responsible for Kosovo's economic direction (Figure 2.5).

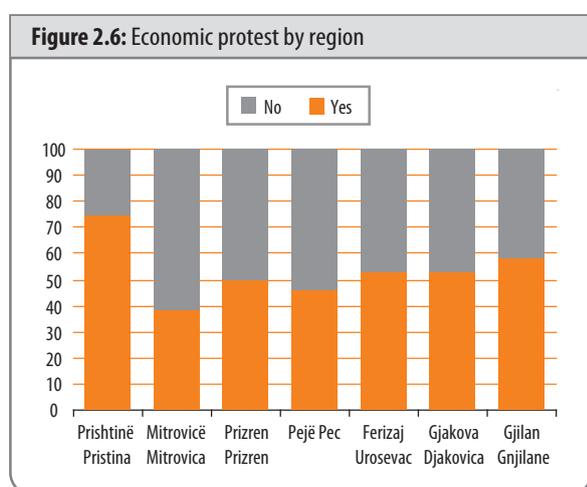
Figure 2.5: Perceptions of responsibility for the economic situation

Protest due to Current Economic Situation

Since December 2005, when opinion poll results showed all time high rates of willingness to protest for economic reasons, there was a continuous decline in this indicator. However, in March 2007 the willingness to protest for economic reasons increased to some 46% (a 3% increase from December 2006)

When responses on readiness to protest due to economic reasons are analyzed by region, it is respondents from Prishtinë/Pristina that are the most inclined to protest for economic reasons. The readiness of some 72% of Prishtinë/Pristina respondents is followed by 59% of respondents from Gjilan/Gnjilane. These results suggest inconsistency on the part of Prishtinë/Pristina respondents given that this region has the lowest economic pessimism level and the highest employment opportunities.

As in December 2006, Mitrovicë/Mitrovica is again the least inclined region to protest for economic reasons, followed by Pejë/Pec and other regions being split between the readiness to protest and not to protest.



Willingness to protest due to economic reasons is closely related with perceptions about the economic situation; those who are dissatisfied with the economic direction of Kosovo are much more inclined to protest than those who are satisfied. This association is statistically significant⁶,

where 84% of respondents dissatisfied with Kosovo's economic direction were also willing to protest due to the current economic conditions.

At the same time, it is important to point out the correlation between the readiness to protest for economic reasons and the readiness to protest for political reasons. As shown in Table 2.4, some 91% of respondents that declared they would protest for economic reasons also stated that they would protest for political reasons⁷.

Table 2.3: Correlation between Political and Economic Protest

		Political Protests	
		No	Yes
Economic Protests	No	70.7%	8.5%
	Yes	29.3%	91.5%
Total		100.0%	100.0%

Economic Pessimism and Voting

Bearing in mind that employment and other economic issues are currently considered the most important issues facing Kosovo by survey respondents, these issues will play a major role in the future elections.

Respondents that have no party preference or have no answer or have decided not to vote in the upcoming elections⁸ are more dissatisfied with Kosovo's economic direction than voters who have party preferences and have chosen for whom they will vote (Table 2.5). In this regard it can be concluded that economic pessimism is associated with and may lead to lower political participation.

Table 2.4: Satisfaction and Dissatisfaction with Kosovo's economic direction

	Parties Classification						
	Large Albanian Parties	Small Albanian Parties	Other minority Parties	Serbian Parties	Currently I do not have any political preference	No Answer	Will not vote
Satisfied with economic situation	25.8%	25.3%	21.8%	24.2%	17.0%	13.5%	19.4%
Dissatisfied with economic situation	74.2%	74.7%	78.2%	75.8%	83.0%	86.5%	80.6%
Total (%)	100	100	100	100	100	100	100

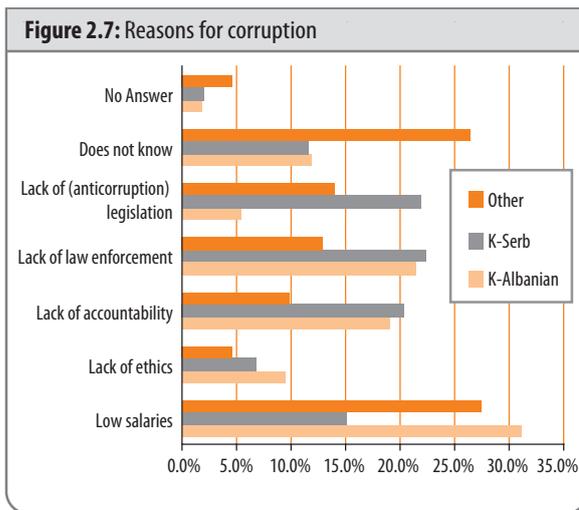
⁶ Association is significant at the 0.01 level (2-tailed) with Pearson Chi-Square of 15.929

⁷ Correlation is significant at the 0.01 level (2-tailed) with Pearson Correlation of 0.585

⁸ Parties are classified based on their seats in Kosovo's parliament. Classification "Big K-Albanian" parties include parties in the Kosovo Assembly with more than two seats (LDK, LDD, PDK, AAK, and ORA). Classification "Small K-Albanian" parties include parties within Kosovo Assembly with two or less seats and those outside of Assembly.

Perceptions of Reasons for Existence of Corruption

As can be seen in Figure 2.8, “low salaries” was the top reason given for the existence of corruption by K-Albanians and Other minority respondents. Lack of enforcement was the main reason for the presence of corruption according to K-Serb respondents. Among K-Serbs and K-Albanians other key reasons for the existence of corruption included “lack of accountability” and the “lack of anticorruption legislation”.



Regarding the issue of emigration, the majority of survey respondents, or some 60%, stated that they do not plan to leave Kosovo, while some 39% said that they have plans to emigrate. Looking at the results by ethnicity, some 40% of K-Albanians and 45% of Other minorities and 12% of K-Serbs stated that they plan to emigrate from Kosovo.

It is important to analyze willingness to emigrate by ethnicity and age in order to better understand migration trends in Kosovo. As shown in Table 2.4, it is clear that respondent’s aged 18-24 are the most willing to move to other countries, with the highest percentage seen among K-Serbs, where some 52% of K-Serb respondents stated that they plan to leave Kosovo. Some 39% of K-Albanian respondents and 26% of respondents from Other minorities (except K-Serb) aged 18 -24 stated that they also plan to leave Kosovo.

Table 2.5: Willingness to migrate by age group

Do you plan to migrate?	Age Group					Total
	18-24	25-30	31-36	37-45	Over 46	
K-Albanian	38.9%	18.7%	14.8%	13.4%	19.7%	100%
K-Serb	52.3%	11.4%	11.4%	9.1%	15.9%	100%
Other Minorities	26.1%	17.0%	14.8%	21.6%	4.3%	100%

III. Conclusions of Expert Group on Social and Economic issues

According to the Expert Group convened to discuss the results of this EWS Opinion Poll, the following are worrying trends that require special attention:

- The increase in the number of people dissatisfied with the economic situation in Kosovo.
- The increase in the number of people dissatisfied with employment opportunities in Kosovo.
- The alarmingly high number of people planning to leave Kosovo, mostly young adults aged 18-24 from all ethnicities.

“It seems we are growing children just so they can leave Kosovo and immigrate. We the older generations have managed to stay here in spite of tensions and half of our children want to immigrate.”

- The overall high number of respondents willing to protest due to the current economic situation, especially the high number of respondents from Prishtinë/Pristina region that have declared willingness to protest for economic reasons.
- The overall high number of respondents who stated that their family’s economic situation has worsened over the past year, especially for Other minorities (non-K-Serb) the majority of whom stated that their economic situation had worsened since this time last year.
- The high number of respondent’s stating that poverty and unemployment are the most important issues facing Kosovo.
- The high level of perception that there is large scale corruption in KEK, AKM and PTK especially given the importance of these institutions in the creation of a friendly business environment and economic development overall.

The following factors have been identified by Expert Group discussions as elements contributing to Economic and Social instability:

- The existing perception of a high level of corruption within governing institutions. This fact is particularly worrying as perceptions of corruption can hamper development in all aspects of society, especially economic development, foreign investment, elimination of nepotism and development of democracy.
- The loss of qualified teaching staff at Kosovo's public institutions such as the University of Prishtinë/Pristina and several high schools.
- High expectations that Kosovo's economic and social circumstances will improve once Kosovo's status is determined. Expert Group participants consider that developments will be slow to come and it may take decades for considerable improvements to be seen.
- Development of strategies without the proper consideration of budgeting and implementation mechanisms.
- Lack of implementation of developed strategies and policies or the incomplete implementation of policies and strategies such as the current policy on social assistance which is just maintaining the status quo, rather than applying its developmental aspects.
- The lack of consistent and mutually reinforcing economic policies.

Possible alarming scenarios identified by Expert Groups:

- Once Kosovo's status is resolved, Expert Group participants consider that circumstances for social tension will increase, given that people with have one less reason to hold back their social and economic frustration. In this regard, a number of strikes and protests which were planned by different groups and were postponed due to negotiations for the status, may reappear.
- Expert group participants consider that the long presence of international organizations in Kosovo, especially governing organizations, has created a certain level of dependency on their expertise and leadership which might, if this assistance is withdrawn too quickly, have negative effects in the future.
- Many development policies and strategies for different sectors have been developed by internation-

al experts, without proper participation from local stakeholders. This may result in them existing on paper only without proper implementation, due to the lack of ownership among local stakeholders.

"Prishtinë/Pristina municipality is required to have community meetings with city residents several times a year and less than five people show up each time.

- State budget/revenues remain low preventing a large scale implementation of economic policies to boost employment opportunities.
- Economic growth and employment opportunities will remain modest and unsatisfactory for the needs of Kosovo.

In order to address Economic and Social issues the following actions are recommended by the Expert Group:

- Kosovo's academic institutions must be involved in the development of social and economic policies and strategies, not only as party members but as representatives from academia and experts.
- According to the Expert Group the definition of Kosovo's final status will not immediately improve Kosovo's economic and social situation. In this regard, the public should be made aware that "status is not a magic stick for all problems of Kosovo" and that slow paced development should be expected.
- Experts consider that after Kosovo's status is resolved, institutional transparency is crucial for social and economic stability.
- Educate people so that they feel ownership with regard to budget spending.
- Assure that economic and social development policies are implemented and are consistent and at the same time have long term goals.

"We are producing soldiers in our schools, not students that think with their own head."

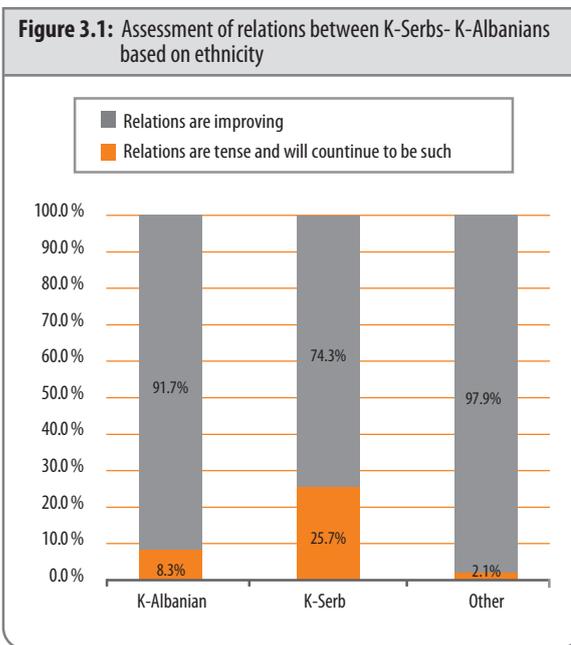
Chapter 3:

INTERETHNIC RELATIONS

I. Main Trends

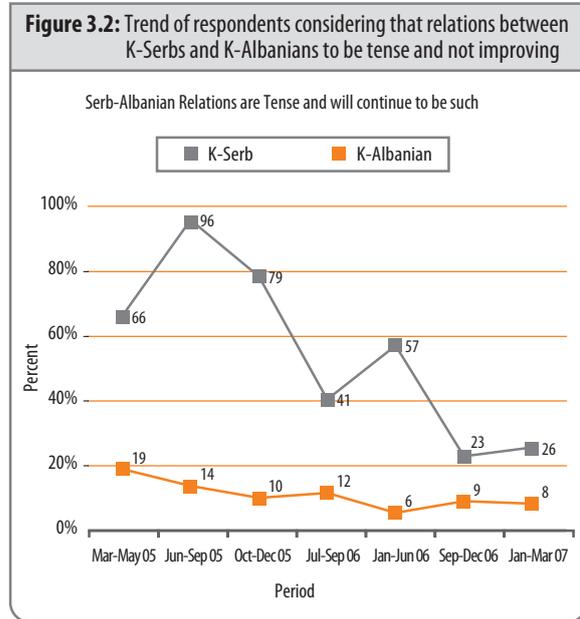
Perceptions of interethnic relations

In comparison to July-September 2006, EWS opinion poll results since then show promising developments in regard to perceptions of interethnic relations. However when compared to December 2006 alone, interethnic indicators seem to have made some movement backwards. For example, during the December 2006 opinion poll some 23% of K-Serbs respondents considered interethnic relations to be tense and not improving at all, but in March 2007 this increased by 3%. On the other hand, as shown in Figure 3.1 the majority (92%) of K-Albanians and Other minorities (98%) consider that there have been positive developments and improvements in the relationship between K-Serbs and K-Albanians. As compared to December 2006 fewer K-Albanians consider interethnic relations to be “tense and without improvements in the future” with similar results for Other minorities.



As can be seen in Figure 3.2 the trend of improvement (since September 2005) in the assessment of interethnic relations among K-Serbs has stagnated somewhat. In March 2007, 26% of K-Serbs considered their relations with K-Albanians to be tense with no hope for improvement which is an increase of some 3% since December 2006 (Figure 3.2). The vast majority of K-Albanians consider interethnic relations to be

improving with only 8% of respondents stating that interethnic relations are tense without hope for improvements in the future.



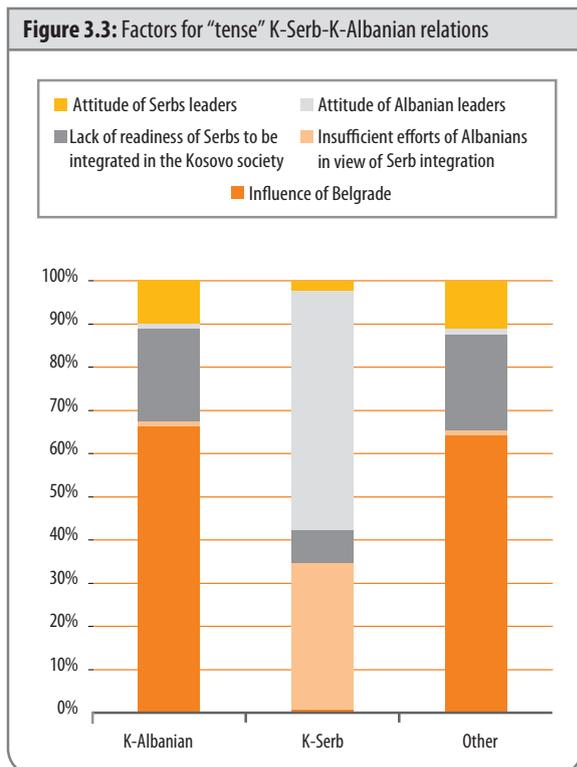
The large discrepancy in the assessment of K-Albanian and K-Serb relations by K-Serb respondents of Prishtinë/Pristina region and of Mitrovicë/Mitrovica region continues to exist. As in December 2006, the majority of K-Serbs living in Prishtinë/Pristina region and regions other than Mitrovicë/Mitrovica consider that K-Serb-K-Albanian relations are improving. On the other hand, as can be seen in Table 3.1, K-Serb respondents from Mitrovicë/Mitrovica are divided in this regard, with less than half believing that relations are improving. The majority of K-Albanian and Other (except K-Serb) minority respondents from all regions of Kosovo consider that K-Serb-K-Albanian relations are improving.

Table 3.1: Respondents from Prishtinë/Pristina, Mitrovicë/Mitrovica and other regions and their assessment of K-Serb and K-Albanian relations

Relations are improving	K-Albanians (%)	K-Serbs (%)	Other (%)
Prishtinë/Pristina region	98.19	79.66	100.00
Mitrovicë/Mitrovica region	96.88	48.61	97.37
Other	88.0	94.7	98.0

When asked about the responsibility for tense interethnic relations, K-Serb respondents consider that the attitude of K-Albanian leaders and their insufficient efforts for the integration of K-Serbs are the responsible factors. The opposite opinion is held by

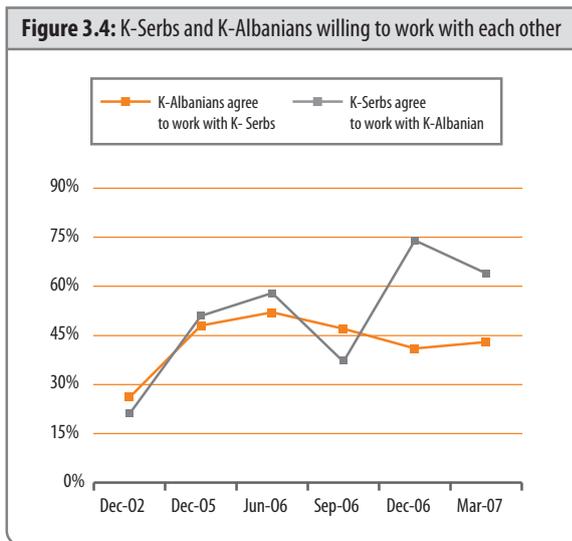
K-Albanian and Other minorities (except K-Serb) on this question. Contrary to December 2006, when the opinion of K-Albanians and Other minorities (except K-Serb) on the responsibility for interethnic relations had noticeable dissimilarities, in March 2007 their responses are almost identical. These groups consider that current tense interethnic relations are influenced by Belgrade followed by the unwillingness of K-Serbs to be integrated into Kosovo society (see Figure 3.3).



The latest poll shows that the number of K-Serbs willing to work with K-Albanians has dropped to 65%, some 10% lower than in December 2006. Approximately 43% of K-Albanian respondents agree to work with K-Serbs which is a slight increase as compared to the December 2006 poll.

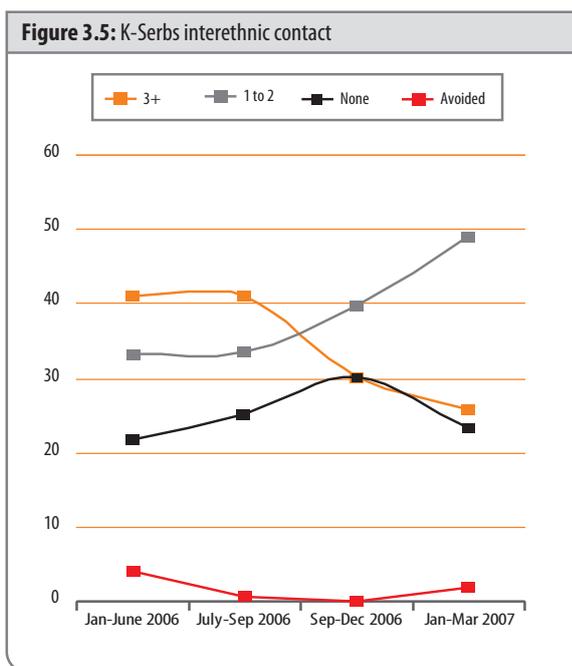
II. Interethnic Contact

While the number of K-Serb respondents that have had three or more contacts with other ethnicities has declined by some 4% compared to December 2006, there is a significant increase in the percentage of K-Serb respondents that have had one or two contacts with other ethnicities, from 40% at the end of 2006 to approximately 50% in March 2007. Another important positive interethnic indicator is the noteworthy decline in the number of K-Serbs that have had no contact with other ethnicities, from some 30% in December 2006 to just above 21% in March 2007. As in



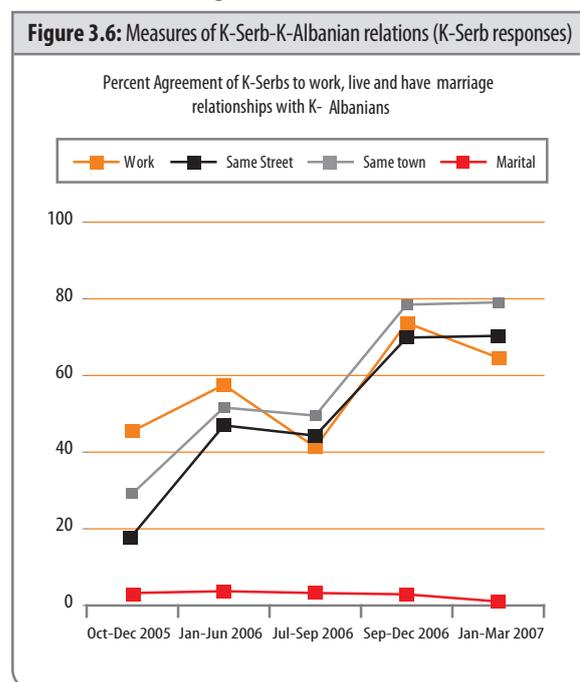
December 2006, the number of those avoiding contact is just above 1% (Figure 3.5).

As in December 2006, the majority of K-Albanians, some 73%, indicated that they had no contact with other ethnicities during the months of January to March 2007.

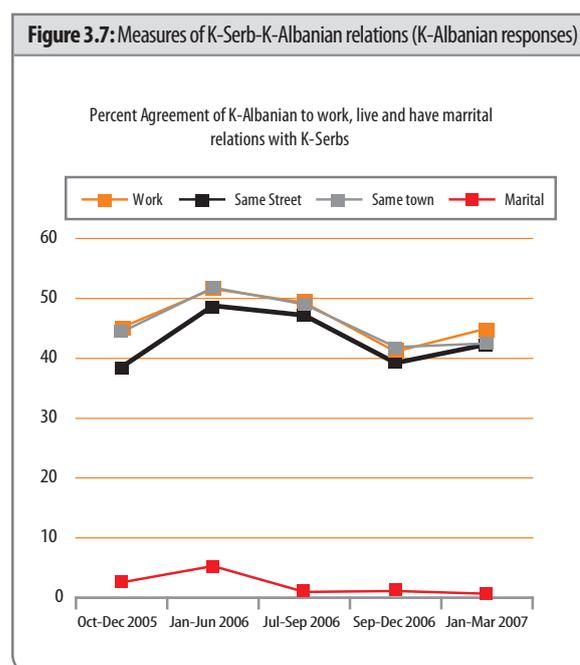


Steady positive increases in several measures of interethnic relations can be seen for K-Serb respondents as depicted in Figure 3.6. As in December 2006, the March 2007 survey results show that approximately 70% of K-Serb respondents agree to live on the same street with K-Albanians, which is an increase of some 50% compared to December 2005. Another positive trend that has remained the same as in December 2006 is the high number of K-Serb respondents (ap-

proximately 80%) that agree to work and live in the same town or village with K-Albanians.



Contrary to trends among K-Serbs, there has, since June 2006, been a steady decrease in readiness among K-Albanians to work and live close to K-Serbs, although that trend seems to have evened off somewhat in the March 2007 poll. As seen in Figure 3.7, approximately 42% of K-Albanian respondents agree to work and live in the same street or town with K-Serbs. Only some 1% of K-Albanians have stated that they would agree to marriage relationships with K-Serbs.



A high percentage of K-Serbs and Other minorities have had contact with other ethnicities in Kosovo during the three months prior to the survey. Some 75% of K-Serb respondents and some 84% of respondents from Other minorities stated that they have had contact with other ethnicities. These results, when compared to December 2006 results, show an increase of some 6% of K-Serbs and an approximately 10% increase in the number of Other minorities that report having contact with other ethnicities in Kosovo during the three months prior to the March 2007 survey. In this regard, 5% more K-Albanians, than in December 2006, have stated that they have had contact with other ethnicities in the past three months (Table 3.2).

Table 3.2: Contact with other ethnicities in the past three months

	K-Albanian (%)	K-Serb (%)	Other (%)
Yes I have had contact	25.5	74.8	83.9
No contact	74.5	25.2	16.1
Total	100	100	100

III. Who Is Pessimistic About Interethnic Relations?

Which K-Serbs are pessimistic?

As in December 2007, respondents that are currently unemployed have a better attitude towards K-Serb-K-Albanian relations compared to those who are employed. Table 3.3 shows that employed K-Serbs are 8% more negative than unemployed K-Serbs in their assessment of interethnic relations with K-Albanians.

Table 3.3: K-Serb-K-Albanian relations and employment (K-Serb responses)

	Employed (%)	Unemployed (%)
Relations are improving	69.9	78.0
Relations are tense and will continue to be such	30.1	22.0
Total (%)	100	100

As in December 2006, K-Serb respondents from Mitrovicë/Mitrovica have the worst opinion of K-Serb-K-Albanian relations compared to K-Serb respondents from Prishtinë/Pristina and other regions inhabited by K-Serbs⁹. This trend becomes even more evident in the March 2007 poll, when the majority of K-Serb respondents from Mitrovicë/Mitrovica consider their relations with K-Albanians to be tense and to continue to be such, a 27% increase from December 2006.

⁹ Further detailing of K-Serb responses to other regions (besides Prishtinë/Pristina and Mitrovicë / Mitrovica) could not be done due to the low number of K-Serb respondents from individual regions.

As Table 3.4 describes, some 80% of K-Serb respondents from the Prishtinë/Pristina region consider K-Serb-K-Albanian relations to be improving at some scale¹⁰ whereas some 49% of K-Serb respondents from Mitrovicë/Mitrovica consider K-Serb-K-Albanian relations to be tense without any hope of improvements.

Table 3.4: K-Serb-K-Albanian relations by region (K-Serb responses)

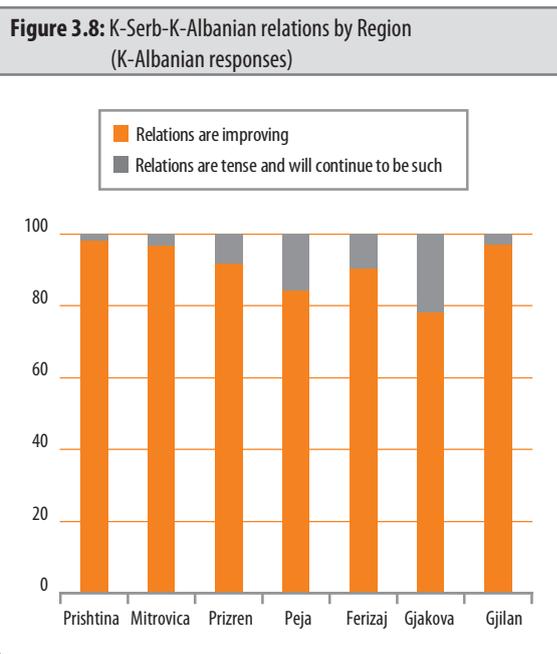
	Prishtinë / Pristina (%)	Mitrovicë / Mitrovica (%)	Other (%)
Relations are tense and will continue to be such	20.3	51.4	5.3
Relations are improving	79.7	48.6	94.7
Total (%)	100.0	100.0	100.0

Which K-Albanians are pessimistic?

Although the regional distribution in the assessment of interethnic relations as tense and without improvement remains the same as in December 2006, the percentage of K-Albanian respondents from the respective regions that assess relations as such has decreased. For example, in March 2007 some 21% of K-Albanian respondents from Gjakovë/Djakovica consider relations with K-Serbs to be tense and without future improvements, which represents a 20% decrease compared to December 2006.

On the other hand, the most positive attitude about K-Serb-K-Albanian relations came from respondents in Prishtinë/Pristina and Gjilan/Gnjilane, where the vast majority of respondents declared that interethnic relations are improving.

Although the majority of K-Albanians believe that interethnic relations are improving, there are slight differences among age groups, education and employment status. K-Albanians aged 31-36 have the worst perception of interethnic relations with some 12% considering interethnic relations as tense and not improving. Some 37% of K-Albanian respondents aged over 46 stated that they cannot assess current interethnic relations with K-Serbs, whereas the age group 37-45 had the highest percent of respondents that consider K-Serb-K-Albanian relations to be improving.



K-Albanian respondents with elementary school education are the least able to assess current K-Serb-K-Albanian relations in Kosovo; some 45% of this group were unable to describe current K-Serb-K-Albanian relations. In comparison, just 11% of respondents with college or university education stated that current K-Serb-K-Albanian relations are tense and will continue to be such.

K-Albanian respondents that declared to be a farmer by profession had the worst perception of K-Serb-K-Albanian relations in Kosovo among both employed and unemployed respondents. Some 20% of all K-Albanian farmers stated that they considered interethnic relations to be tense without improvements in the future. Other comparisons showed no major distinction in the assessment of interethnic relations based on employment status.

¹⁰ Improvement includes: Relations are tense: 1. "but there are some improvements", 2. "considerable improvements", 3. "relations are not so tense", 4. "relations are not tense at all".

IV. Conclusions of Expert Group on Interethnic issues

According to the Expert Group convened to discuss the results of this EWS Opinion Poll, the following are worrying trends that require special attention:

- An increase in the already high number of K-Serbs assessing K-Serb-K-Albanian interethnic relations as “tense and without improvements in the future” is an especially worrying fact in need of attention.
- K-Serb respondents from Mitrovicë/Mitrovica region assessing interethnic relations with K-Albanians worse than K-Serb respondents from Prishtinë/Pristina region or other regions.
- K-Albanians holding Belgrade responsible for the current tense interethnic relations and K-Serbs holding Prishtinë/Pristina responsible for interethnic relations and the persisting trend of mutual blame for tense interethnic relations between K-Serbs and K-Albanians.
- The decline of K-Serbs willingness to work with K-Albanian as an indicator of interethnic relations.
- The continuous trend of a large number of K-Albanians having no contact with members of other ethnicities in Kosovo.
- High regional variation in the number of K-Albanians that consider interethnic relations with K-Serbs to be tense and without improvements.

The following factors have been identified by Expert Group discussions as elements contributing to the current interethnic situation:

- Minorities in Kosovo (except K-Serb) have been marginalized from Kosovo’s political and economic developments. The issues of these minorities are not being addressed by local and international institutions.
- Although according to Expert Group participants, KPS figures show that interethnic violence has drastically decreased over the past 2 years, an increase in the already high number of K-Serbs assessing K-Serb-K-Albanian interethnic relations as “tense and without improvements in the future” is considered worrying, and in need of special attention.
- Lack of K-Serb efforts to participate in Kosovo’s institutions and continued resistance of K-Serbs to become part of Kosovo society.

- Lack of constant, meaningful and genuine efforts on the part of K-Albanians to reach out to K-Serbs in an attempt to integrate them into the new Kosovo reality.
- Lack of K-Albanian leader’s strategy for cooperating with international agencies in facilitating interethnic reconciliation.
- The perception of K-Albanians that all K-Serbs were involved in crimes in Kosovo, thus resisting the eventual return of K-Serb refugees and IDPs.
- The ongoing lack of communication between K-Serbs and K-Albanians. Although, communication between individuals of different ethnicities does exist, with a good results for interethnic relations, communication between the larger communities is still poor. Mitrovicë/Mitrovica is a case in point, where both communities are in large numbers and their attitudes are influenced by the collective stance on interethnic issues, which makes it difficult to move forward.

Possible alarming scenarios identified by Expert Groups:

- Expert group participants have identified as an alarming scenario the potential massive migration of the K-Serb population after Kosovo’s final status has been determined. Although opinion poll results show that only some 10% have declared that they may leave Kosovo if it becomes independent, Experts consider that potential massive migration may occur as a sign of protest, most probably orchestrated by extreme opponents of the status resolution based in Belgrade.
- Eventual K-Serb protests such as road blockages, as a result of Ahtisaari’s proposal to the Security Council, could be seen by K-Albanians as a threat to their independence and as a result they may react violently.
- In parts of Kosovo where there are mixed ethnic communities of K-Serbs and K-Albanians, rumors and exaggerated media reporting on the process of status resolution might cause further deterioration of the situation as experienced in March 2004.

In order to address the current interethnic situation the following actions are recommended by Expert Group:

- K-Albanian and K-Serb citizen initiatives to reconcile ethnic differences. Expert Group participants consider good neighbors as a key factor to positive interethnic developments.

- Reconciliation attempts should be made in those regions that have less history of violence, giving regions such as Pejë/Pec, Gjakovë/Djakovica and

A much bigger role in improving interethnic relations would have political parties linked to the KLA and their reaching out to K-Serb population, than the activities done by smaller parties.”

Mitrovicë/Mitrovica which have a more violent history, more time to heal.

- In parts of Kosovo where there are mixed ethnic communities of K-Serbs and K-Albanians, community dialog groups composed of both ethnicities should be established in order to mitigate any possible tensions during the status decision process and in its aftermath.

You can have a protest with 1000 protesters which turns violent, and you can also have a protest with 200 000 protesters which goes through without any problems. It is not the numbers that determine the type of protest; it's the intent of the protest, the intent of specific groups within the protest and the politics behind it.”

Chapter IV

PUBLIC AND PERSONAL SECURITY

Satisfaction with Security Institutions

Although most respondents are satisfied with the work of the institutions in charge of Kosovo’s security, the January–March opinion poll shows considerably lowered levels of satisfaction among respondents.

As seen in Table 4.1, satisfaction with the performance of the KPS is some four percentage points lower than in December 2006, whereas satisfaction with UNMIK police is some eight percentage points lower.

Although the satisfaction with KFOR has dropped somewhat, the current rate of 79% satisfaction with the work of this institution is still quite high. Current satisfaction levels with the KPC (TMK) are similar to those of KFOR; however support for the KPC has declined by a total of 5 % as compared to just 3 % for KFOR.

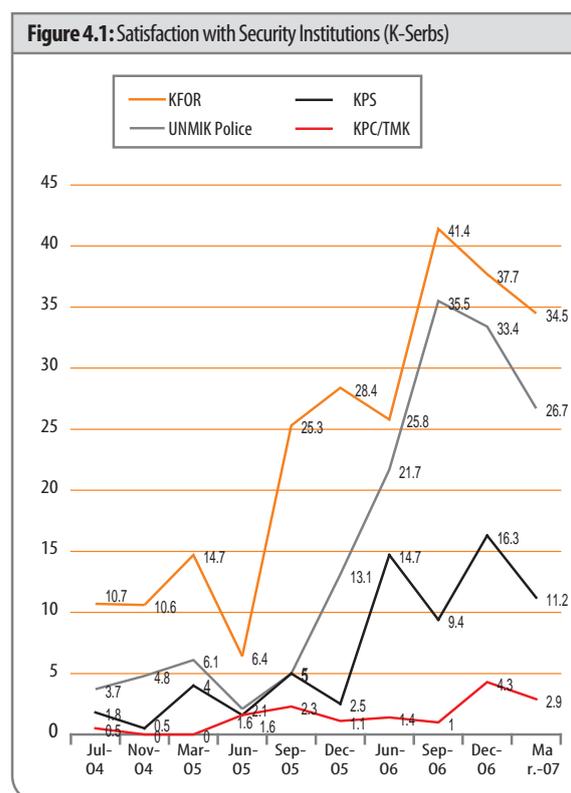


Table 4.1: Satisfaction with Security Institutions (K-Albanians)

K-Albanians	Jul-04	Nov-04	Mar-05	Jun-05	Sep-05	Dec-05	Jun-06	Sep-06	Dec-06	March-07
KFOR (%)	85.6	85.7	84.9	92.9	89	90.3	85.1	86.7	80.9	78.6
UNMIK Police (%)	44.2	41.6	54.7	63.7	61.1	56.9	51.1	59.9	52.6	46.8
KPS (%)	89.9	88.2	92.7	90.3	90.3	89.4	86.6	86.4	76.5	72.7
KPC/TMK (%)	96.4	95.9	96.9	90.3	95.2	96.2	93.4	91	83.4	78.4

Although a trend of continuous increase in satisfaction with security institutions among K-Serbs is clearly present, March 2007 poll results show a further decrease in these satisfaction levels from December 2006.

Currently, approximately 35% of K-Serbs are satisfied with the performance of KFOR, and around 27% (a drop of six percentage points) with the performance of UNMIK Police. Satisfaction with the KPS is currently 11%, which is a decrease of some five percentage points compared to December 2006.

Similar to December 2006 results of the March 2007 opinion poll show that the majority of K-Albanian and Other minority (except K-Serb) respondents consider that community-police relations are good, whereas K-Serbs respondents are split between a positive and negative assessment of community and police relations. A significant amount, just over 30%, of K-Serb respondents could not assess community – police relations (See Table 4.2).

Table 4.2: Assessment of Community – Police relations

	K-Albanian (%)	K-Serb (%)	Other (%)
Very good	10.0%	0.0%	5.7%
Good	51.8%	14.1%	58.0%
Neither good nor bad	24.2%	19.9%	15.0%
Bad	2.6%	27.2%	5.2%
Very bad	2.1%	3.9%	3.1%
Don't Know	8.2%	18.9%	12.4%
No Answer	1.1%	16.0%	0.5%
Total (%)	100.0%	100.0%	100.0%

Respondents that assessed community relations with police as negative were asked why they felt that way. Most K-Albanian respondents were divided on the reasons for bad relations including “fear of revenge”, “lack of trust in police bodies” and “people’s disinter-

est in cooperating with the police” (Table 4.3). In comparison and as in December 2006, K-Serb respondents overwhelmingly stated that “lack of trust in police bodies” and “people’s disinterest for cooperation” are the main reasons for their negative opinions about current community-police relations. The majority of Other minorities (except K-Serb) consider that citizen’s “lack of interest for cooperation” is the main reason for bad community-police cooperation, closely followed by “fear of revenge” as another explanation.

Table 4.3: Reason for bad community police relations

	K-Albanian	K-Serb	Other
Fear of the revenge	34.2%	7.6%	28.9%
Lack of trust in police bodies	28.0%	61.0%	13.3%
Police bodies do not show interest for that	14.8%	13.3%	4.4%
People are not interested for cooperation	18.9%	16.2%	33.3%
Don't Know	4.1%	1.9%	20.0%
Total	100.0%	100.0%	100.0%

Feelings of Safety

As of March 2007, some 70% of K-Serbs feel unsafe in the street with an increase of 37% since December 2006 in this regard. As shown in Figure 4.2, although K-Serbs today feel safer than in the past, they still feel more unsafe than K-Albanians and Other minorities living in Kosovo.

It is important to note that Other minorities (except K-Serbs) in Kosovo feel the safest of all ethnic groups. However Other minorities feel more unsafe than they did during the period of January-June 2006. Currently some 35% of Other minorities feel unsafe in the street, which is somewhat lower than feelings of K-Albanians, 42% of whom say they feel unsafe in the street, which marks an increase of some 4 percentage points, compared to December 2006.

Factors Influencing feelings of Safety

Among K-Albanian respondents, those aged over 46 seem to feel safest on the street. As in December 2006, respondents aged 18-24 and those aged 31-36 seem to be the group of respondents that feel most unsafe in the street (Figure 4.3).

Based on March 2007 survey results, the K-Serbs that feel most unsafe in the street are those aged 31-36 and those aged 18-24 with around 74% and 73% re-

Figure 4.2: Feeling “unsafe” on the street by ethnicity

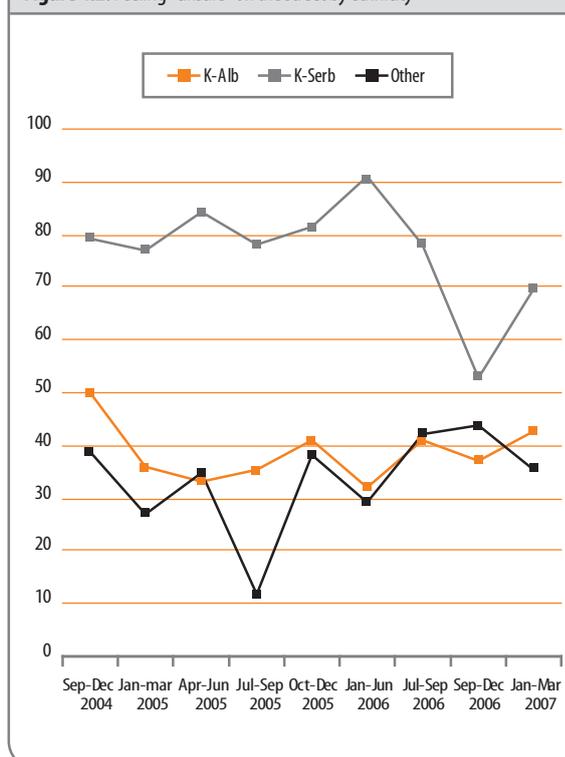
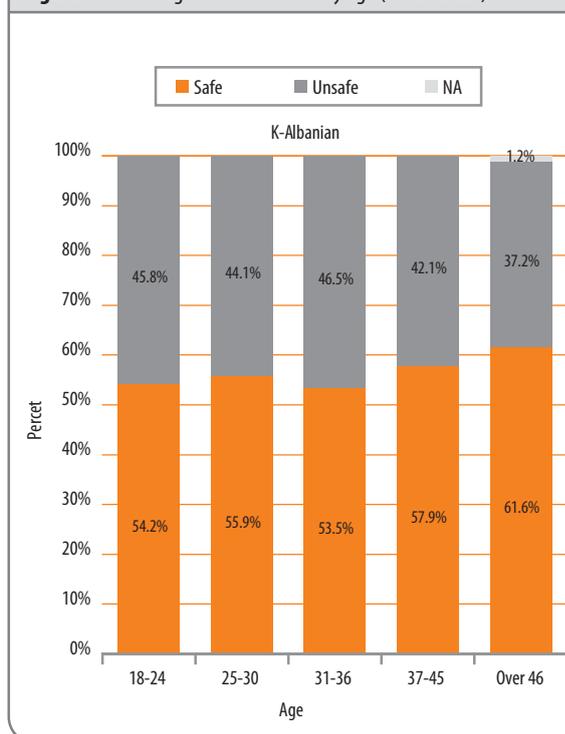
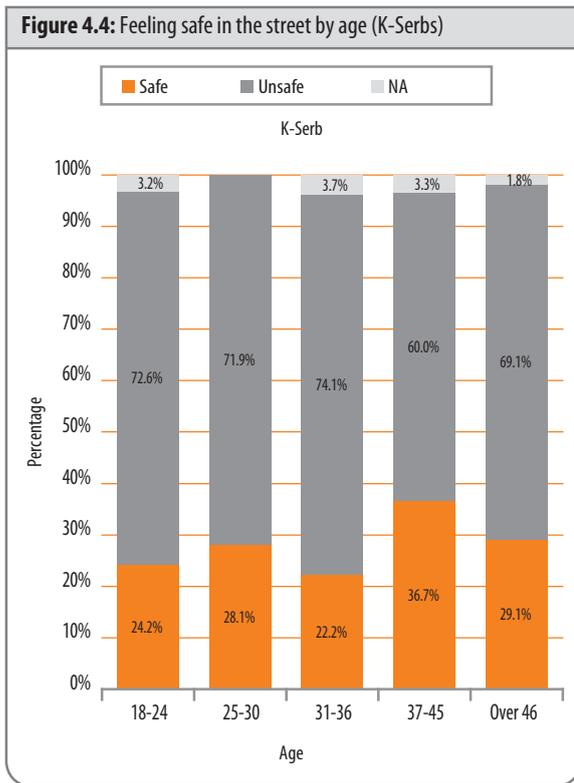


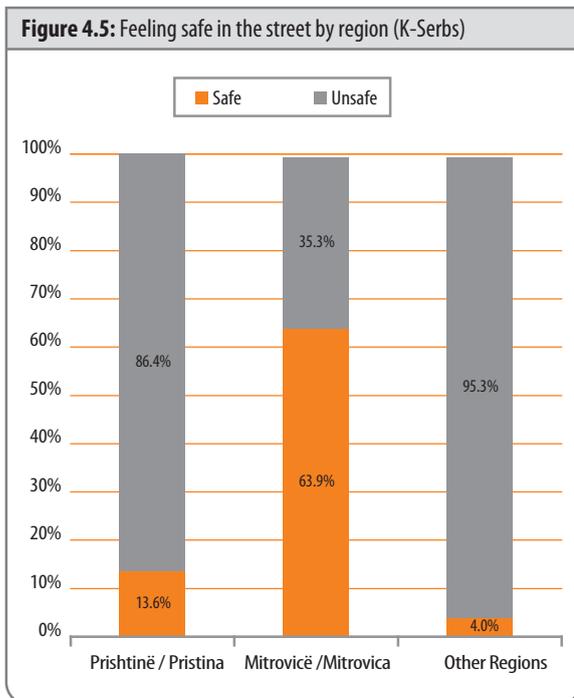
Figure 4.3 : Feeling Safe in the street by age (K-Albanians)



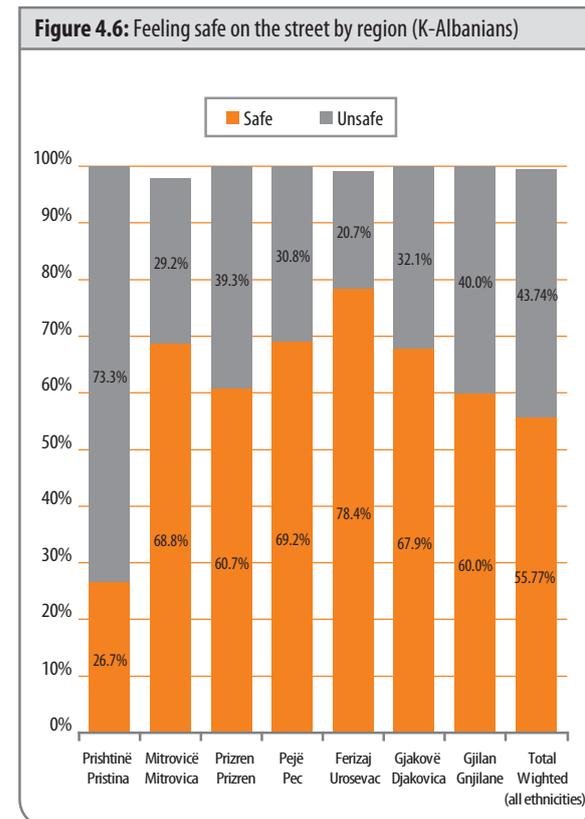
spectively reporting in this regard. Among K-Serb respondents, those aged 37-45 and those over the age of 46 seem to feel the safest on the streets (Figure 4.4).



The majority of K-Serb respondents (86.4%) from Mitrovicë/Mitrovica region¹¹ feel safe on the street while only approximately 14 % of respondents from Prishtinë/Pristina stated the same. As can be seen in Figure 4.5, the percentage of K-Serb respondents from other regions that feel safe is considerably lower at 4%.



Although most K-Albanians feel safe in the street, this feeling is not shared in all regions in Kosovo. Respondents in Prishtinë/Pristina region feel least safe, with the overwhelming majority (74%) declaring that they feel unsafe in the street. On the other hand and as depicted in Figure 4.6 respondents from Ferizja/Urosevac and Pejë/Pec feel the safest, closely followed by residents of the Prizren/Prizren, Gjakovë/Djakovica and Mitrovicë/Mitrovica regions.



Vetëvendosje

Compared to the trend of support during the latter part of 2006 for the “Vetëvendosje” movement, in this most recent opinion poll, all options of “support” for “Vetëvendosje” have remained relatively constant, with only a slight increase in the number of respondents choosing the option “I do not support” to describe their attitude towards this movement.

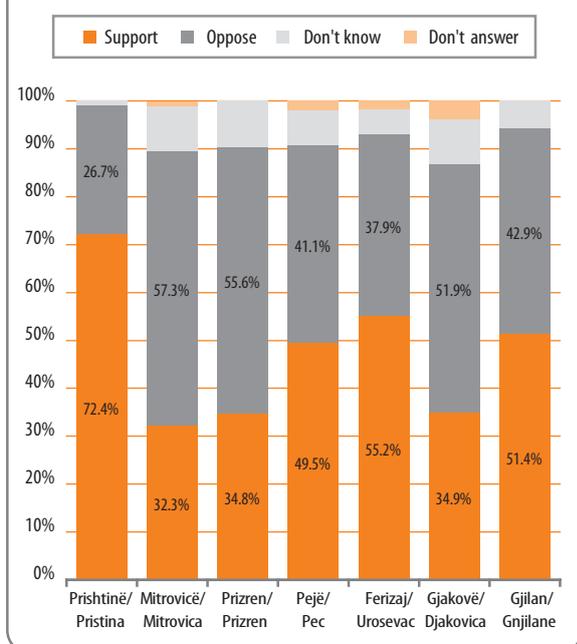
As in the December 2006 opinion poll, K-Albanian respondents from Prishtinë/Pristina and Peja/Pec showed the most support for “Vetëvendosje”. However the highest level of full support for the movement comes from Gjakovë/Djakovica, where some 14% stated that they fully support “Vetëvendosje” and that they would join them (Figure 4.7).

¹¹ K-Serb respondents from Mitrovicë/Mitrovica consist of respondents from the Northern part of Mitrovicë/Mitrovica

Compared to December 2006, the number of respondents from Prishtinë/Pristina and Peja/Pec fully supporting this movement has declined by some 37% for K-Albanian respondents in Prishtinë/Pristina and about 27% from respondents from Peja/Pec.

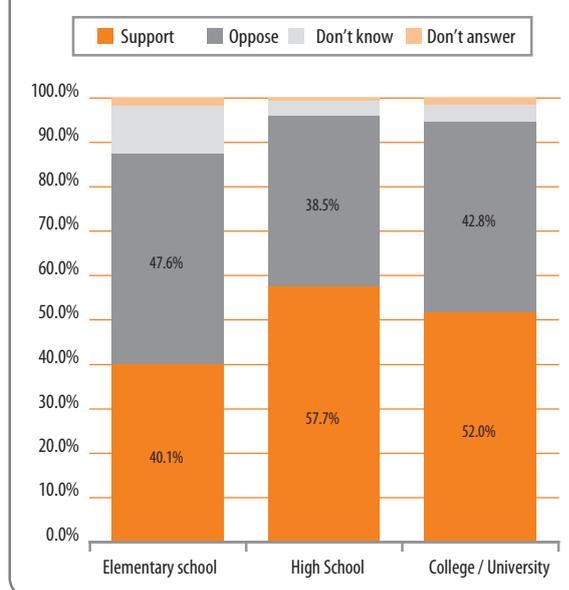
It is again, respondents from Mitrovicë/Mitrovica that showed the least support for “Vetëvendosje”, with some 57% of respondents declaring that they do not support or declaring that they oppose this movement. Respondents from Gjakovë/Djakovica on the other hand, while having increased their full support for this movement, have also increased their opposition to this movement, with 52% of Gjakovë/Djakovica respondents opposing “Vetëvendosje”, an increase of some 24 percentage points, compared to December 2006.

Figure 4.7: Attitude towards the “Vetëvendosje” movement by region (K-Albanian responses)



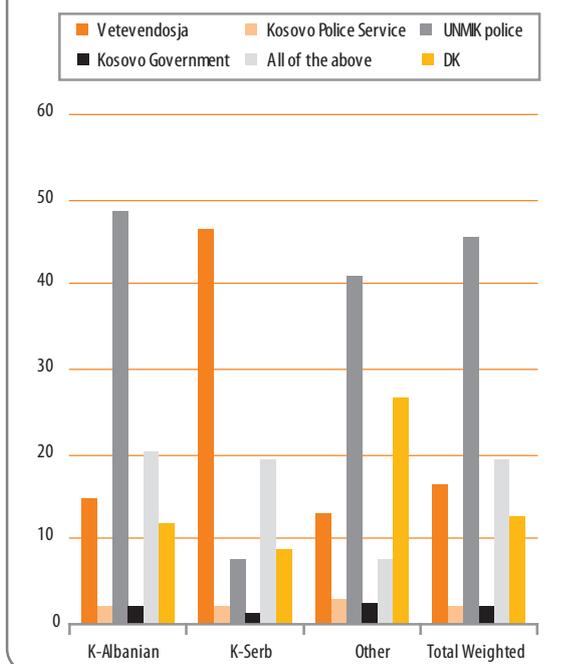
It is interesting to see that the attitude towards “Vetëvendosje” varies when the education level of respondents is examined. This most recent poll reaffirms the December 2006 poll results, where respondents supporting “Vetëvendosje” the most are those with high school or university education. As seen in Figure 4.8, 52% of respondents with college education said that they support “Vetëvendosje”, which although still quite high, represents a drop of 5 percentage points compared to December 2006. The least support for “Vetëvendosje” came from respondents with elementary school education, where only 40% stated some sort of support for “Vetëvendosje”.

Figure 4.8: Albanian attitude towards the “Vetëvendosje” movement by education (K-Albanian responses only)

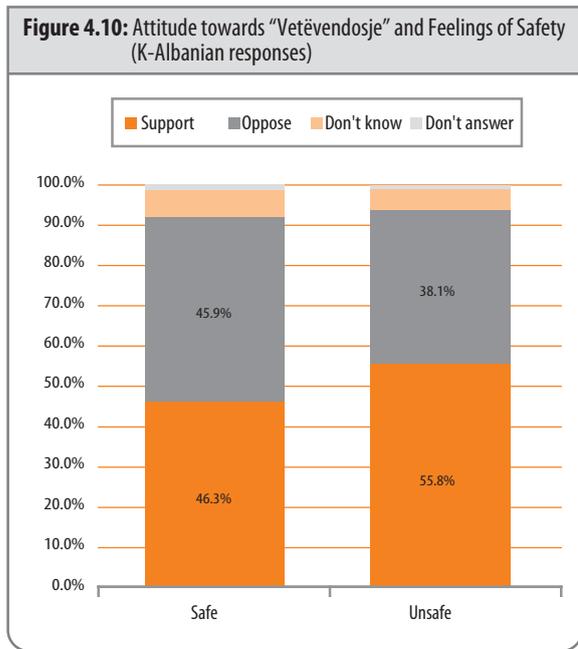


As shown in Figure 4.9, K-Albanian and Other minorities (except K-Serb) overwhelmingly consider UNMIK police to be responsible for the violence at the 10 February “Vetevendosja” protest. The majority of K-Serbs (47%) and 15% of K-Albanians and 13% of respondents from Other minorities regard “Vetevendosje” to be responsible for the violence caused during the protest.

Figure 4.9: Who do you think was responsible for the violence of 10 February “Vetevendosja” Protest?



An association between feelings of safety and support for the “Vetëvendosje” movement seems to be present in the results of the March 2007 opinion poll. As in December 2006, the most support for “Vetëvendosje” comes from K-Albanian respondents that feel unsafe in the street while the strongest opposition comes from those that feel safe. These results can be seen in Table 4.10.

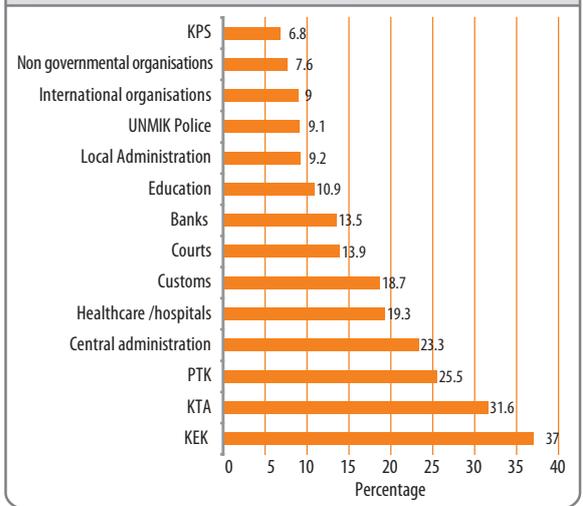


Perception of corruption and the conditioning of service delivery and lack of trust on Kosovo’s Judicial System

Regarding perceptions on the existence of “large scale” corruption, March 2007 results indicate that KEK, KTA and PTK remain the three institutions with the highest presence of “large scale” corruption, according to survey respondents (Figure 4.14). With the exception of PTK, respondents consider that there is less “large scale” corruption at KEK and KTA in March 2007, as compared to December 2006. Although PTK has introduced new services and has reduced prices as well as running a TV campaign, respondents consider that the level of corruption at PTK is the same as in December 2006. As shown in Figure 4.6 Kosovo’s central administration is ranked fourth amongst the institutions with a large presence of corruption.

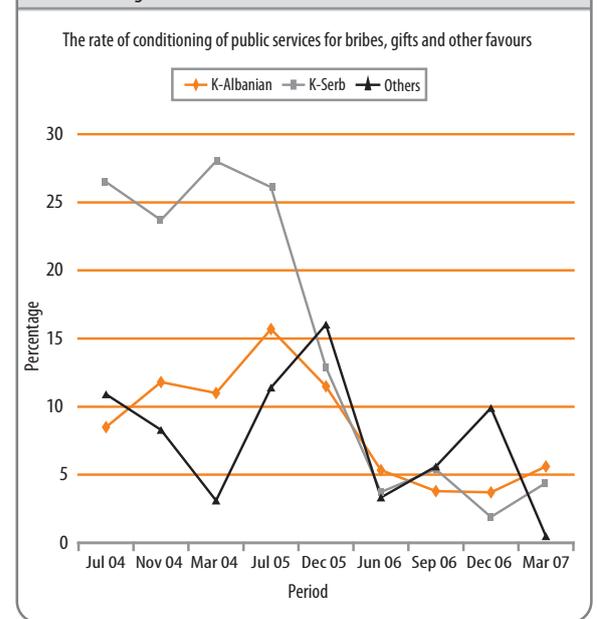
Asked on whether the Judicial System in Kosovo unbiased and treats all persons equally the majority of opinion poll respondents consider that the Kosovo Judicial System is biased and doesn’t treat all persons equally. Only 23% of K-Albanian respondents, 10% of K-Serb respondents and 14% of respondents from other minorities believe that Kosovo’s judicial system is unbiased and fair.

Figure 4.11: Presence of “large scale” corruption in Kosovo’s institutions



Regarding actual experiences of “corruption” and bribery, approximately 3% of K-Serbs indicated that bribes, gifts and other favors were demanded in order for them to access public services. This shows a continuation of the rate reported for December 2006 and a marked decrease since March 2005 when a peak of 23% reported this experience. The percentage of K-Albanians who stated that bribes were demanded of them in exchange for public services has remained relatively constant at 5% since July 2006. Approximately 1% of respondents from ethnicities other than K-Albanian and K-Serb have stated that bribes, gifts and other favors were a condition for them to access public services. This marks a 10% decrease in this experience for Other ethnicities in Kosovo (Figure 4.12).

Figure 4.12: Conditioning the delivery of public services on bribes, gifts and other favors



IV. Conclusions of Expert Group on Security Issues

According to the Expert Group convened to discuss the results of this EWS Opinion Poll, the following are worrying trends that require special attention:

- The constant decline of citizen satisfaction with Kosovo institutions is one of the key security risks for Kosovo. This trend can be observed for all institutions both local and international. Beliefs, perceptions and attitudes of citizens toward the political system are some of the key internal determining factors. The PISG, UNMIK, KPS, KEK, PTK, and other Kosovo institutions all share the same decreasing trend in satisfaction.
- Although, for the moment at least, the current decrease in levels of satisfaction among K-Serb respondents with security institutions does not present an extremely worrying trend, if it continues for much longer, this issue will need to be addressed as a matter of urgency.
- The big difference between K-Serbs and K-Albanians in satisfaction with security institutions, implies that satisfaction (or dissatisfaction) on this issue has an ethnic note.

The following issues have been identified as potential problems contributing to public and personal security issues:

- Police-Community relations are important in assessing safety and the work of security institutions. However, the failure of the KPS and UNMIK Police to peacefully resolve the demonstrations organized by Vetevendosje on February 10 last, demonstrated that there is no capacity to deal with internal security risks and threats. A demonstration of about 3 000 participants ended with 2 deaths and more than 80 injuries, which has seriously undermined police-community relations.
- The reason why K-Serbs have such a low satisfaction with the work of Kosovo's security institutions may be that many K-Serbs see the KPC as a direct transformation of the KLA, which many of them regarded as a terrorist organization, even though UNMIK Regulation no. 2000/61 describes it as emergency institution.
- In the more multiethnic regions, people feel less safe, which implies that feelings of safety are not

necessarily related to the crime rate, but rather to interethnic tensions deriving from the past.

- Lack of mechanisms for sharing of Information between security sector institutions.

Possible scenarios identified by the Expert Group:

- According to the Expert Group the blocking of a new Security Council resolution on Kosovo by Russia could have negative repercussions including:
 - K-Serb-K-Albanian relations in Kosovo may deteriorate and relations between Kosovo and Serbia may deteriorate as well.
 - Russia's Veto may encourage K-Serbs to radicalize their stand towards Kosovo institutions, thus destabilizing Kosovo.
 - Russia's Veto may frustrate K-Albanians and encourage the extremists to look at other ways for Kosovo Independence.
- The high level of support for the "Vetevendosja" movement could pose a challenge if Kosovo's status is not resolved. Support may mount for this movement with the eventual postponement of the status resolution, and given Vetevendosja's approach, more people could take to the streets.

The Expert Group recommends the following actions as necessary to address difficult interethnic issues and negative perceptions:

- Since an Anti-Corruption Agency is already established and has already reported, the next step should be taken by the media who should promote the work of the Agency in order to create more support among the population. The media should also undertake more investigative journalism on corruption.
- PISG must seriously engage in the preparations for the transitional period during which the implementation of Ahtisaaris package should be accomplished in a fast and effective manner.
- Cross cutting policies and K-Serbs encouragement to participate in Kosovo institutions should be one of the top priorities of all political actors in Kosovo. K-Serbs have to be able see their future in Kosovo regardless of the status outcome.
- UNMIK should start preparations and prepare timelines for the handover of competencies foreseen in the Ahtisaari's proposal and should intro-

duce to the EU Planning Team for Kosovo the key challenges that were faced during the 1999-2007 period.

- A work plan for the transfer of competencies from UNMIK Police to the KPS should be prepared and ready for implementation once the decision on Kosovo's status is made. This would increase the legitimacy of local authorities and their efficiency.
- The KPS should be trained to maintain order during demonstrations, if needed to intervene according to international conventions on human rights, as well as to conduct preventive actions on its own.
- A better coordination between all security sector institutions and the creation of better mechanisms for sharing of information and statistics might prevent some risks and threats for Kosovo's security sector.
- In order to increase the feelings of security and better cooperation between policing institutions and people, KFOR, UNMIK Police and the KPS should be more active in reaching out to local populations by implementing more non-security-related activities aimed at raising trust and confidence of local communities. For the KPS a variety of approaches to community must be considered rather than just car patrols. One of the alternatives might be Walk-Patrols. Having a KPS staff member as a neighbour might also progress the relationship between the police and community.

“Instead of preparing for the Ministry of Foreign Affairs, PISG should immediately start the work to build the Security Institutions proposed by President Ahtisaari such as the Kosovo Security Force, the Kosovo Intelligence Agency, the Ministry of Defence and the National Security Council.

Main events during the period January – March 2007

January 2007	EVENT – REPORT
January 1	Serbian Prime Minister Vojislav Kostunica visits the northern part of Kosovo on New Year's Eve.
January 4	Germany takes over the Presidency of the European Union and the German Chancellor, Angela Merkel, says that Kosovo will be among the priorities. The Kosovo opposition parties join the Team of Unity. It is reported that Avni Kosumi was shot in the head with a single bullet while returning from work in a private vehicle together with his two colleagues, Faik Ymeri and Jeton Krasniqi.
January 5	"Die Presse" quotes Vienna diplomatic sources that UN Envoy, Martti Ahtisaari will propose "supervised independence". Medias report that as a result of UNSC expected resolution on Kosovo, new elections are expected during the latter part of 2007. Daci team to 'recreate LDK' at the end of January.: Patriarch Pavle's Christmas Message: "Kosovo Serbs to Win over their Oppressors"
January 7	Tadic was quoted as saying, 'Serbia will not ruin relations with the countries who will recognize Kosovo's final status', adding that Serbia will fight Kosovo's independence only by diplomatic means.
January 8	Some 400 kg of cocaine seized in Macedonia: The final destination of these narcotics was intended to be Greece. The smuggled cocaine was worth about €40 million. UNMIK Customs Service marked the transport as suspicious and then the police and customs authorities of Macedonia discovered the cocaine, as reported in the daily media.
January 10	KPS and UNMIK police raid houses in the predominantly K-Serb village of Babimoc after the murder of a KPS police officer. The Head of KPS, Sheremet Ahmeti, visited the village of Babimoc and spoke to the local residents about their concerns, as reported in the media.
January 11	UNMIK hinders tender for second mobile operator. China opens Liaison Office in Prishtinë/Pristina.

Main events are based on UNMIK media monitoring database

	<p>Hundreds of K-Serbs from Shtpce participated in the election campaign organized by the Serb Radical Party ahead of Serbian parliamentary elections set to take place on 21 January.</p> <p>Quoting the Prishtinë/Pristina -based daily Koha Ditore, the Belgrade-based B92 Radio reported that UNMIK has accepted Serbia's offer to pay for electricity consumption in the Serb enclaves during this winter. The UNMIK official Andreas Witkowsky said the agreement has yet to be signed, but that the decision to have Belgrade pay for the electricity is in line with the UNMIK policy to support the Kosovo Energy Corporation (KEK). He also underlined that the Kosovo Government was not involved in the negotiations.</p> <p>Kosovo President Sejdiu meets NATO Secretary General, EU High Representative Heavier Solana and EU Enlargement Commissioner Olli Rehn.</p>
January 15	<p>LDK objects to the name of Daci's new political party.</p> <p>SLKM leader Oliver Ivanovic is quoted as saying to the Swiss paper <i>Der Bund</i> that there are probably over 1,000 extremists now operating in Mitrovicë/Mitrovica. Ivanovic admitted there are paramilitary groups in the north of Kosovo.</p>
January 16	<p>Dailies quote Kosovo Prime Minister Agim Çeku as refusing any sort of further talks with the Serbian side.</p> <p>SRSR gave assurances that the international community will not allow partition of Kosovo.</p> <p>Disagreements between LDK and LD continue. Party property has become the new contesting issue.</p>
January 17	<p>TrA received only four bids for the second telephone operator in Kosovo. The companies that submitted bids for the tender are: the Kosovo company Silos; IpkoNet-Telekom, Slovenia/Mobitel consortium; Team Kosova; and "Kosmocell.</p> <p>Bucharest's opposes Kosovo's Independence.</p>
January 18	<p>SRSR Rucker visits Kastriot/Obilic municipality.</p>
January 19	<p>Kosovo leadership admits there will be a new round of talks with Serbia.</p>
January 21	<p>PDSRSG Schook pledges support for education in Kosovo.</p> <p>LDK reorganizes where affected by LD and criticizes the media.</p> <p>Radicals win 81 seats in Serbian Parliament.</p> <p>Dugolli asks KEK to be more careful toward businesses</p> <p>29 families returned from Serbia to Gjilan/Gnjilane.</p>
January 22	<p>Commander "Vdekja" accused for the attack on KPS.</p> <p>KPC asks for a law to become an army.</p>
January 24	<p>Council of Europe adopts Resolution on Kosovo, removes any reference to independence</p>
January 25	<p>SRSR Rucker meets PM Çeku.</p> <p>Haradinaj Fund under investigation.</p>
January 26	

February 2007 EVENT - REPORT

<i>February 1st</i>	<p>Swedish Foreign Minister Carl Bildt visits Kosovo.</p> <p>UNMIK chief Rücker meets municipal mayors of Kosovo.</p> <p>Kosovo Negotiations Team meets before Ahtisaari's visit.</p> <p>Cabinet for Good Governance (CGG) of the Kosovo Democratic Party (PDK) has set up a working group yesterday, which will discuss the package of Status Envoy Martti Ahtisaari and prepare a report with recommendations which it will send to Kosovo institutions.</p> <p>Thaçi meets KLA War Associations.</p> <p>Kostunica's Coalition Warns Countries Tempted to Recognize Kosovo's Independence.</p> <p>Oliver Ivanovic: Serbs to Proclaim their own Independence in an Independent Kosovo Independence.</p> <p>Bildt and Titov Say Athisaari's Proposal is not Kosovo's Final Status Solution Document, rather a Working Draft.</p>
<i>February 2</i>	<p>Ahtisaari Visits Prishtinë/Pristina.</p> <p>Serbian President Boris Tadic received, today in Belgrade, UN Special Envoy for Kosovo Status Talks Martti Ahtisaari, who officially presented his draft proposal for the future status of Kosovo.</p> <p>Protest of Families of missing and abducted Serbs.</p> <p>The whole Team of Unity presented and explained the content of the package live in a televised address on KTV.</p>
<i>February 3</i>	<p>Ahtisaari's proposal backed by FYR Macedonia.</p>
<i>February 6</i>	<p>U.S. Status Envoy Frank Wisner visits Kosovo.</p> <p>KPC voices reservations about Ahtisaari's proposal on defense force.</p> <p>Thaçi accused of giving away 2,000 hectares of land to Macedonia.</p> <p>Belgrade Willing to Participate in the Vienna Talks, Asks for a Short Delay.</p>
<i>February 7</i>	<p>Status Envoy Frank Wisner visits Belgrade.</p> <p>Kosmocell' wins second mobile phone tender.</p>
<i>February 8</i>	<p>SRSR Rücker to meet UN SG Ban Ki-moon and Ahtisaari. The process on Kosovo's status following the unfolding of Ahtisaari's proposal are discussed.</p> <p>British Foreign Minister Geoff Hoon visits Belgrade.</p> <p>Over 10,000 property claims are recorded by the Kosovo Property Agency (KPA).</p>

	Ahtisaari: Status will be clarified in March, Resolution before June.
<i>February 9</i>	Families of martyrs and war invalids benefit from financial aid while the beneficiaries will receive €175 per month. Bishop Artemije Contests Ahtisaari's Proposal in Washington. Some 3000 Serbs from the northern part of Mitrovicë/Mitrovica protest against UN Special envoy Martti Ahtisaari's proposal for Kosovo's status.
<i>February 10</i>	"Vetëvendosje" protest held, more than 80 were injured by police, a dozen severely. 14 protesters were arrested. 2 protesters from February 10th protest die from injuries from Police used rubber bullets.
<i>February 12</i>	Ahtisaari, Rücker and Sejdiu at the EU Ministers' meeting. Primer Minister Çeku says that excessive force was used. Group of Unity visit north of Kosovo.
<i>February 13</i>	The Minister of Interior, Fatmir Rexhepi resigns.
<i>February 14</i>	Process against "Vetëvendosje" leader Albin Kurti commences. Second victim of 10th February protest buried.
<i>February 15</i>	UNMIK Police Commissioner Stephen Curtis resigns.
<i>February 16</i>	NATO Secretary General Jaap de Hoop Scheffer visits Kosovo, meets members of Kosovo's Unity Team, the SRSG and COMFKFOR. Netherlands Foreign Minister Bernard Bot visits Prishtinë/Pristina where he met Kosovo and international leaders.
<i>February 17</i>	One of the witnesses in Haradinaj's case dies. Ahtisaari presents his plan at NATO headquarters in Brussels. The Kosovo Property Agency (KPA) has published the first 1,972 requests for property return. An explosion near Baci Hotel in Prishtinë/Pristina.
<i>February 18</i>	Daci elected head of LDD.
<i>February 19</i>	A powerful explosion destroys three UNMIK vehicles and one civilian car parked near Theatre Dodona in Prishtinë/Pristina. No people were injured in the blast.

	Turkish NGOs voice their opposition to Ahtisaari's plan because it speaks only of Serbian minorities.
	Bulgarian diplomat supports independence for Kosovo.
February 20	Canada to support Kosovo financially.
	Kalleberg new UNMIK police commissioner.
	Some 2,000 Kosovo Serbs gathered in Gracanica yesterday under the motto "No to Martti Ahtisaari's plan".
February 21	Belgrade - Prishtinë/Pristina Consultations are held in VIENNA.
	Kosmocell fails to pay, Telekom Slovenia and IpkoNet win GSM tender.
	Police arrest a KPC Lieutenant-Colonel in northern Mitrovicë/Mitrovica.
	Kosovo Assembly investigation committee has concluded that the political responsibility for transgressions at the Kosovo Assembly falls on former Assembly Speaker Nexhat Daci, the Assembly Presidency of the first mandate, and the Ministry of Economy and Finance.
February 23	Government protects salary increase for their employees.
	Office of General Auditor discovers irregularities in the privatization process.
	Government Spokespersons Ms. Lama stated that salary increase for 120 civil servants were ensured from saving of telephone and fuel costs.
	Del Ponte asks cancellation of meeting between Rücker and Haradinaj.
February 24	Haradinaj meets with Rucker.
February 25	NATO SACEUR Admiral Ulrich visits Kosovo.
February 26	Ramush Haradinaj travels to the Hague.
	Kosovo delegation for decentralization travels to Vienna.
February 27	Talks in Vienna end with no changes.
March 2007	EVENT - REPORT
March 3	"Vetevendosje" stages another protest. It proceeds without incidents.
	Creation of Kosovo Serb Assembly fails.
March 5	Albanian National Army (ANA) member Amir Sopa arrested under the suspicion that he threw a grenade at the Prishtinë/Pristina District Court.
March 6	Ramush Haradinaj Trial Starts.
	US Assistant Secretary of State Daniel Fried to visit Zvecan/Zvecan.
March 8	Pope Benedict XVI meets Kolë Berisha.

	High level delegations from Kosovo and Belgrade meet in Vienna for final talks on status.
<i>March 10</i>	Albin Kurti's detention extended for 60 days. Austrian company sues Kosovo over mobile phone tender.
<i>March 11</i>	Negotiations between Prishtinë/Pristina and Belgrade end.
<i>March 13</i>	Police search AAK and Kasabank on money laundering suspicion.
<i>March 14</i>	Team of Unity reports before Kosovo Assembly on Vienna talks. ORA's leader, Veton Surroi meets leaders of African Union. Moskowitz appeals for salary increase for judges and prosecutors. PM Çeku suspends his advisor over money laundering charges.
<i>March 16</i>	Ahtisaari proposes supervised independence for Kosovo. SRSR Rückert discusses Ahtisaari's package with Vitić Serbs. Education scandal – Media report on 1,500 – 3,000 Euros for a diploma. 30 new houses built for minorities.
<i>March 19</i>	Priest Don Lush Gjergji attacked and robbed by unknown people.
<i>March 20</i>	Dailies report on the 12th meeting of the Stabilization-Association Tracking Mechanism, which was held yesterday in Prishtinë/Pristina. Some €68.3 million promised to Kosovo by the representatives of the Council of Europe for the implementation of EU standards, economic development and standardization of legislation.
<i>March 21</i>	Reports circulate in the media that 35-40 members of Serbian Ministry of Interior have entered Kosovo's territory. Romanian police officers that participated in 10 February protests, in which two protesters were killed by the police, leave Kosovo.
<i>March 23</i>	Assembly debates over demonstration of 10 February. Albin Kurti begins hunger strike in prison.
<i>March 25</i>	Association of Serbs of Metohija is founded.
<i>March 26</i>	Four Kosovans arrested for smuggling of vehicles. Albin Kurti's fourth day of hunger strike.
<i>March 27</i>	Kosovo's Telecommunication Regulatory Agency will be audited.
<i>March 29</i>	KPS and Vetëvendosja to discuss protest of 31 March. Round table discussion of UNMIK and Government.
<i>March 31</i>	Vetëvendosja stages another protest. Mortar Attack on Visoki Decani Monastery.

