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Kosovo: Eternally dependent?

By Richard W. Rahn Published December 14, 2006

PRISTINA, Kosovo. -- This small European nonstate tucked between Albania, Serbia, Montenegro and Macedonia is a living testament to the inability of the U.N. to solve problems. As some will recall, eight long years ago NATO and the U.N. intervened to stop the war between Serbia and its province of Kosovo, largely inhabited by people of Albanian origin (more than 90 percent currently). Kosovo has been under U.N. jurisdiction since 1999, with NATO troops, including a contingent from the U.S., keeping the peace.

By now, the U.N. was supposed to have resolved the final status of Kosovo, rebuilt the infrastructure, eliminated the corruption, and have the institutions of government operating on their own. Despite having spent 25 times more money and having 50 times more foreign peacekeeping troops (KFOR) than Afghanistan on a per capita basis, the above goals still have not been achieved. The 2 million Kosovans have been seeking (and sometimes fighting for) independence from Serbia, which they thought they would have by the end of this year. But again, the decision has been delayed by a nervous United Nations.

The Serbs and Russians still oppose independence for Kosovo, though it has operated independently of Serbia for the last eight years. Any effort to try to reunite Kosovo with Serbia would almost certainly renew violence.

The U.N. asked the former Finnish President, Martti Ahtisaari, to see if he could bring the various parties together for a solution. He has not been able to do so, and now he has indicated he will submit his own plan in February 2007. Anything short of independence will leave the Kosovans unhappy, and any plan will have to be agreed to by the divided U.N. Security Council. In short, the uncertain mess continues.

Kosovo is literally overrun with advisers from the U.N., the European Union, the United States and other donor and international organizations. Some Kosovo government departments have more advisers than staff, so the staff cannot get anything done because they spend most of their time with the advisers.

A few advisers seem to view Kosovo as a life-time job rather than quickly transferring knowledge and leaving. The Americans are the most mission-directed but are frustrated in trying to deal with the endless U.N. bureaucracy. As it would be expected when there

are numerous advisers from many countries and organizations, some of the advice is contradictory and poorly thought out.

The U.N. people were reluctant to make decisions for fear of being criticized, which meant crucial decisions were delayed for years. For instance, serious privatization has been under way for only two years. As a result, the economy depends largely upon remittances from Kosovans working abroad, and the donations and employment created by various international organizations and foreign government missions.

The international donor and advisory organizations have employed many of the best educated locals, often at above market salaries, so the private sector is artificially starved for talent. Some in the West, particularly in the U.S., fear an independent Kosovo will turn into a radical Muslim state. Yet you find the Kosovans are largely secular -- you can wander all day around the capital city of Pristina and rarely see a woman wearing a headscarf, let alone more complete religious dress. The locals told me they are "Muslim lite." One has the feeling most are no more devout than typical Scandinavian "Lutherans."

They view themselves, dress and act, like mainstream Europeans, which they are. Yet, there is always the danger uncertainty about "status" and the slow economic growth could incite a few disaffected young people to join radical Muslim groups.

Kosovo still has the very real possibility of becoming a great success with a fast-growing vibrant economy, but it also could descend into chaos, if the international community does not start acting with more decisiveness and wisdom than it has to date. In addition to senior officials of the various international donor and government aid organizations, I met with local entrepreneurs and members of the Kosovo-American Chamber of Commerce, who would be ready to invest more and expand their businesses if only they were provided greater political and economic policy certainty.

At this point, Kosovo can be viewed as either a very expensive failure or an incomplete success. Two former members of the U.N. mission in Kosovo have just written a book, "Peace at Any Price: How the World Failed Kosovo," which details the many mistakes of the U.N. and what should have been and still should be done to make Kosovo a success. There is no shortage of domestic and international expertise in Kosovo, but there has been a lack of leadership. The open questions are whether the new U.N. head in Kosovo, Joachim Rucker, has learned from the mistakes of his predecessors, and whether he will demonstrate the decisive and wise leadership that has been lacking.

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