
THE ROLE OF DECENTRALIZATION ON SECURITY IMPROVEMENT AND PEACE-BUILDING IN KOSOVO

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The Role of Decentralization on Security Improvement and Peace-building in Kosovo

This Policy Paper was written by:

Samet Dalipi, Dr. Sc.

Krenar Shala, MA

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Introduction

The accommodation of minorities in societies emerging from ethnic conflicts is a priority for sustainable peace building. A concept of decentralization is among power-sharing forms of settling disputes between antagonistic parts of societies. Because of tragic history that Kosovo faced in the 90's, international community sought to implement the concept of decentralization which started in 2002. After the declaration of independence, Kosovo authorities legally committed themselves that, in accordance with the Comprehensive Proposal for the Kosovo Status Settlement (2007), decentralization would become as country priority policy for further peace-building in Kosovo. However, the Serbian community, which consists of less than 5% of overall Kosovo population, was skeptic on the initiative because of their political expectations of being part of Serbia. This behavior postponed the establishment of new municipalities – to be achieved later in three phases.

Nowadays, Kosovo is composed by 38 municipalities; ten of them governed by the Serbian community. Territorially, it means that more than 25% of municipalities are governed by minorities (10 municipalities governed by Serbs and 1 municipality by Turks).

Four north Kosovo municipalities are still hesitating on following the Kosovo legislation, even though since the moment of reaching an agreement between Serbia and Kosovo on the Comprehensive Normalizations of Relations, also known as the Brussels Agreement, there is some progress that has been done. Increasing their demands by creation of the Association/Community of Serbian Municipalities in Kosovo, ASMK/CSMK, has the intention to justify "the elimination the uncertainty, distrust and fear toward Kosovo institutions". The establishment of ASMK, as a product coming from the long time negotiations, is seen by EU as an instrument in enabling successful integration and reducing inter-ethnic tensions of/in the northern part of Kosovo. However, Albanians remain skeptical – fearing that this mechanism will serve as a catalyst for a future Republika Srpska II – enabling to increasing the Serbia's influence in Kosovo's matters. Through the ASMK/CSMK, Belgrade will try to conduct an audit of current public spending, control employment and political behavior in Serbian institutions in Kosovo.

As it appears, the process of decentralization and territorial reformation in Kosovo used to be an intermediate step toward creation of the newly "intermediate institution" between central and local government level – the Association/Community of Serbian Municipalities in Kosovo, an untold autonomy of the Serbs within Kosovo. If President's Ahtisaari Plan was a compromise on seeking international subjectively for newly created state of Kosovo, the process of decentralization and later on ASM/CSM is becoming the price for eventual approval of Kosovo independence by Serbia.

This project intends to determine the effects of decentralization in Kosovo. Specific questions we intend to answer are:

Has decentralization worked to reduce ethnic tensions in Kosovo?

How has decentralization affected the various communities in Kosovo?

Is the decision of creation of new municipality an appropriate one?

Do the minorities feel more integrated or isolated?

Are the services offered by new municipality more qualitative than previous?

Have the relations between Serbs and Albanians been improved?

Do they benefit with creation of new municipalities?

Is the security issue enhanced?

What are the limits of decentralization based on municipal experience?

The questionnaire will highlight differences in response by municipal officials and citizens, employees and the unemployed, among gender and ethnicity within citizens of the new municipality. Answering these questions through a rigorous, peer reviewed methodology will help guide donor nations, both in Kosovo and in other crises states, in how they allocate their resources and what efforts are most likely to succeed.

Methodology

Qualitative and quantitative research methods were applied through the use of indicators; surveys and questionnaires were developed in accordance with the indicators; interviews were chosen based on expertise and by accidental contacts. In addition, comparative studies on effects of decentralization processes in Kosovo and countries faced with ethnic disputes were conducted.

The research was focus on five (5) newly created municipalities: Klllokot/Klokot, Partesh/Partes, Ranillug/Raniluk, Novo Bërdë/Novo Brdo and Gracaninë/Gracanica. For this purpose, we developed a set of indicators based on the law, on best practices and on expected outcomes of decentralization to measure the effect that it has had, as essential to

transform the aspired goals into measurable results. These set of indicators helped us frame the method of evaluation and was imperative to analyzing decentralization as a driver of reconciliation. The indicators also helped us to empirically analyze the effect of decentralization which the research team deems is lacking from other existing research. Also, the results of the research helped us in determining the effectiveness of the decentralization process which has been such a popular mechanism in the post-conflict states of the Western Balkans. The formula of decentralization has already been applied as a primary tool for fostering peace-building and reconciliation, it is very important to assess its effects qualitatively and quantitatively.

| | Gracanice Gračanica | Novo Bërdë Novo Brdo | Ranillug Raniluk | Partesh Parteš | Kllokot Klokot |
|--------------|------------------------|-------------------------|---------------------|-------------------|-------------------|
| Albanian | 2,474 | 3,524 | 164 | | 1,362 |
| Serbs | 7,209 | 3,122 | 3,692 | 1,785 | 1,177 |
| Roma | 745 | | | | |
| Total | 10428 | 6646 | 3856 | 1785 | 2539 |

**Source: OSCE Municipal Profiles, March 2014*

Objectives

1. To familiarize Kosovo policymakers with the major developments (direction) in the field of reconciliation 17 years after the conflict ceased;
2. To provide an introduction on how a range of theoretical approaches can be applied to the Kosovo process of reconciliation;
3. To explore the empirical findings on the achieved stage of reconciliation after the local and international efforts;
4. To develop qualitative and quantitative indicators which would help assess the decentralization process in the targeted municipalities.
5. Contribute to social sciences on effects of process of decentralization to reconciliation between communities after the conflict.

Decentralization in Kosovo as a political tool on achieving the political outcomes

There is no scientific consensus on whether process of decentralization can make life easy between confronted ethnic parties. But based on the very best practices that developed countries have pursued, a decentralization which intends to improve the governing practices, thus enabling to increase the opportunities for better life and security, is a proper mechanism to take advantage of. Nevertheless, it also means that the process might not be preferred to apply on each cases of conflict resolution.

In Kosovo, the process and scope of decentralization, as derived from Ahtisaari Plan, intended to bring Serbian minority into parameters of Kosovo legislation. There are three forms of decentralization that are implemented in Kosovo case:

- ☐ "Fiscal decentralization, entailing the transfer of financial resources in the form of grants and tax-raising powers to sub-national units of government;
- ☐ Administrative decentralization, (sometimes referred to as deconcentralisation), where the functions performed by central government are transferred to geographically distinct administrative units;
- ☐ Political decentralization where powers and responsibilities are devolved to elected local governments. This form of decentralization is synonymous with democratic decentralization or devolution."¹

Decentralization in Kosovo, as a process, was implemented by pursuing fast track reforms – ignoring the very essential negative elements that could not be suitable for the Kosovo context. Nevertheless, it was broadly and affirmatively accepted by then – provisional institutions and implemented in major Albanian populated municipalities and successfully implemented at southern part of Kosovo municipalities with Serbian majority. However, this process stagnated and could not be implemented in the northern part of the country where since the conflict ceased is has been a subject of Serbia's interference, ethnic tensions and law-free zone.

Decentralization in Kosovo was used by Kosovo institutions and Serbian community for the purpose of attaining "tit for tat" concessions. In situations like Kosovo, characterized with low level of economic development, low credibility of public institutions, unstable social cohesion and political contestation, decentralization – especially at Serbian municipalities, could not serve as remedy for reconciliation of political demands.

¹ Zow Scott, *Decentralisation, Local Development and Social Cohesion: An Analytical Review*, 2009. GSDRC Research Paper, page 4.) <http://www.gsdrc.org/docs/open/po60.pdf>

In the first phase of this project, the researches/comparative studies of the European countries experiences in decentralization processes will be issued, but also the best practices will be presented, especially those which have succeeded to produce positive effects in the democratization process in the countries emerged from the conflict. We have focused our research on the core issue: whether the decentralization is creating incentives for locally elected politicians/decision makers to be more responsive and accountable to the citizens as beneficiaries of their policies, knowing that few studies only have directly tested this claim. This project will try to offer statistical data's/measurable indicators related to this aspect of decentralization, a research niche, reconciliation based on empirical findings, still academically debatable one, at the same time, considering especially the relevance of the issue of ethnicity, a niche that would provide it with a useful meaning and significant role in a coherent theory of decentralization. The aim of this study is to analyze and draw conclusions on the efficiency as a peace-building mechanism, effectiveness and accountability of the local leaders/authorities and the quality of citizens' service delivery.

Knowledge and practice shows that the process of reconciliation takes time to be realized, and it seems now is a proper time (15 year after international protectorate and function of Kosovo institutions) to monitor and evaluate the process of decentralization in Kosovo eventually. It should be clear whether this complex reform is going according to the state strategic goals in the proper direction or not. Literature in this indicates that administrative and fiscal decentralization improves perceptions of accountability. We will tackle the question if decentralization has prompted improvements in regards to issues of ethnic co-existence; political effects/democratization leading to cooperation and mutual tolerance; coexistence and reconciliation; economic circumstances measured preferably by the level of employment and growth of GDP; security and social/cultural interactivity.

State of research on decentralization

Decentralization as a theoretical concept, aims to provide services closer to the citizens by upholding and promoting the democratic principles – accountability and effectiveness of government also called as the *principle of subsidiary*, which made its first official appearance in the Single European Act² signed in 1986, to acquire definitive official status in the Maastricht Treaty which came into effect on November 1, 1993. Article 3b of that

² Single European Act, Official Journal of the European Communities, 1987.
http://www.avrupa.info.tr/fileadmin/Content/EU/bir_bakis/SingleEuropeanAct-TekSenet.pdf

Treaty defines the principle of subsidiary in the following way: “The Community shall act within the limits of the powers conferred upon by this Treaty and of the objectives as signed to it therein. In areas which do not fall within its exclusive competence, the Community shall take action, in accordance with the principle of subsidiary, only if and in so far as the objectives of the proposed action cannot be sufficiently achieved by the Member States and can therefore, by reason of the scale or effects of the proposed action, be better achieved by the community...Any action by the Community shall not go beyond what is necessary to achieve the objectives of this Treaty”. This principle is developed and used also within the states on achieving the better results through power sharing with citizens, according to European Charter of Local Self Government (1985).³

There has been vast research on the decentralization process both in terms of its effects on peace-building as well as its fiscal implications. Research on decentralization in Kosovo is a well-treated area, and much of the research carries a very critical tone of the process of decentralization. Ebel and Peteri edited a Guidebook on Decentralization in Kosovo, (2007) making a good step on providing the best experiences by number of researchers. Monteux (2006) assesses the decentralization process in Macedonia, Bosnia and its prospects in Kosovo and concludes that this tool might in fact not be as efficient in building peace as has been hoped. Monteux constructs a very interesting theoretical typology on decentralization which we will utilize in our analysis and based on that construct, there is a path for the indicators and for the data collection in order to enable a bridge between theory and practice. Likewise papers written by Boskosvka (2010), Todorovski (2001), assess the decentralization tool in mitigating conflict and fostering reconciliation, however they all carry a critical view of the process and its effectiveness. Whereas the arguments made in each of these studies are insightful and provide a comprehensive view on the decentralization process in various countries, they lack quantitative data and a better view from the situation on the ground.

The praises or criticisms of the process are based on normative and qualitative basis which will help us in our analysis, however in order to inform policies, quantitative and tangible data is also needed. Horvath edition (2000 vol.1) compared the local government characteristics of ex European socialist countries and process of decentralization after the systemic transformation. Definition of the decentralization is elaborated by Crook and Manor (1998) and others as transfer of powers from central government to lower levels in a political-administrative and territorial hierarchy. KIPRED (2009) analysis stated that decentralization is fundamental for the stability of Kosovo as a state and the sustainability

³ European Charter of Local Self Government,
<http://conventions.coe.int/Treaty/EN/Treaties/Html/122.htm>

of the Serb majority communities. Beha (2011), also as KIPRED, concluded that the decentralization process in Kosovo is the best pathway to integration for the Serbian majority communities in Kosovo. Lemmon and Ross (2014) stated that decentralization enhances sub-national governments' ability to engage citizens between elections, it argued to create incentives for local and regional politicians to be more responsive and accountable to their constituents, but few studies have directly tested this claim. Breton et al (1998) summarized that decentralization provide a natural environment for the principle of subsidiary. Burema (2012) pointed out that the international community has used decentralization as a peace-building tool, principally seeking to protect the rights of the Serb minority in Kosovo. Dalipi (2012) is warning that one of the factors that present the challenge to peace-building is fragile institutions and lack of accountability by the political and administrative officials. Internal, external and regional challenges are those that harm stabilization of the state of Kosovo analyzed by Dalipi (2014).

Decentralization is the most successful tool for preserving and developing the multi-ethnic character of the country, concluded Gashi (Gashi 2010). Rothchild and Roeder (2005), Kriesi (2005) argue that Swiss system of direct democracies are that of Power Dividing and not Power Shearing, that opens up new opportunities for participation and co-decision. Intended benefits at the fields as administrative efficiency, control, balance and transparency, participation and democracy, matching preferences and social cohesion, competition, dynamism and development, laboratories of innovation and the creation of leaders, (Decentralization and Local Governance in South Eastern Europe and Southern Caucasus, 2011 ALDA, pg 9). Decentralization and accountability, the most important theoretical argument concerning decentralization is that it can improve governance by making government more accountable and responsive to the governed.⁴ According to Markus Schultze-Kraft (2013), that "despite efforts by the international community to help establish a functioning system of decentralized governance, accountability in the country remains weak, ...where issues of accountability have been of secondary importance."⁵ Tranchant concludes that "decentralization dampens all forms of ethnic violence for groups spatially concentrated enough and/or for groups having a local majority..."⁶ but there is need "to build checks and balances mechanisms at the regional level for local minorities not being harmed by the decentralization process."⁶ Siegle and O'Mahony find that "decentralization initiatives that support increased levels of local government expenditures, employment, and

4 Jean-Paul Faquet *DECENTRALIZATION AND GOVERNANCE*, EOPP/2011/27.

5 Markus Schultze-Kraft, *Decentralization and Peace-building in Kosovo: Is there a Role for Social Accountability?*, Institute of Development Studies, 2013.

6 Jean-Pierre Tranchant, 2007, *Decentralization and Ethnic Conflict: The Role of Empowerment* MPRA, page 1. https://mpa.ub.uni-muenchen.de/3713/1/MPRA_paper_3713.pdf

elected leaders have been less likely to succumb to ethnic conflict.”⁷ Yusoff et al, research find that decentralization initiatives, like other impacts, in number of ways, contributes to accommodate rights, interests, needs and claims of competing ethnic groups, especially of ethnic minorities and accommodate them within the larger political system and their local attachments. However, the success of this process highly depends on the mechanisms adopted for sharing powers and responsibilities; the nature, subject and decree of decentralized power; and the willingness of authorities to allow the groups to exercise those powers, with other factors.⁸

In Bosnia and Hercegovina security issue was established through lineation on ethnic discourse. Bojicic-Dzelilovic analyzed the acceptance of ethnification of security as the guarantor of security, actively manufactured by the country's ethnic elites using the very institutional means put in place by the international intervention, resulting at an 'ethnic security paradox' in which the idea of individual safety—linked to the protection of ethnic identity in the form of an ethnified state—unsettles both collective and individual security alike.⁹

Approximately, the same attitude is trying to be implemented by the Kosovo Serbs in Kosovo by enabling the construction of parallel ethnically structures and institutions including the recent attempt to establish the Association of Serb Municipalities with extra powers comparing to those with major Albanian inhabitants.¹⁰

7 Joseph Siegle and Patrick O'Mahony, *ASSESSING THE MERITS OF DECENTRALIZATION AS A CONFLICT MITIGATION STRATEGY*.

http://dai.com/sites/default/files/pubs/other/Decentralization_as_a_Conflict_Mitigation_Strategy.pdf

8 Mohammad Agus Yusoff, Athambawa Sarjoon & Mat Ali Hassan, *Decentralization as a Tool for Ethnic Diversity Accommodation: A Conceptual Analysis*, *Journal of Politics and Law*, Vol. 9, No. 1; 2016, page 55.

9 Bojicic-Dzelilovic, V., (2015). *The Politics, Practice and Paradox of 'Ethnic Security' in Bosnia-Herzegovina. Stability: International Journal of Security and Development*. 4(1), p.Art. 11. DOI: <http://doi.org/10.5334/sta.ez>

10 Adem Beha and Gezim Visoka, *Human Security as 'Ethnic Security' in Kosovo*, *Human Security Perspectives*, Volume 7 (2010), Issue 1. http://www.etc-graz.at/typo3/fileadmin/user_upload/ETC-Hauptseite/human_security/hs-perspectives/pdf/files/V7-1/HSP7_5_BEHA_VISOKA-1.pdf

Decentralization process in Kosovo

After the declaration of the independence, the Ministry of Local Government Administration, aiming to implement the Ahtisaari Package, drafted and implemented the Action Plan on the Implementation of Decentralization. This initiative was compatible with the government's strategic objective to create an effective system of local self-government for all the Kosovo citizens, particularly paying a special attention to the needs of non-majority communities in Kosovo. The Action Plan and its implementation were supervised by the Inter-Ministerial Working Group for Decentralization, led jointly by Minister of MLGA and Special Representative of International Civilian Office. Its objectives were: local self-government legislation reform; establishment of new municipalities; transfer of competencies and resources; and building and development of capacities within municipalities.

On the basis of principles of European Charter of Local Self-Government and particularly on the principle of subsidiary, the local self-government in Kosovo protects and promotes internationally recognized human rights standards with special consideration for the needs of non-majority communities and their members in Kosovo. General principles, organization and functioning of local self-government are set forth in the Constitution of the Republic of Kosovo, specifically in Chapter X, Articles 123 and 124. This report provides a general summary of the progress achieved in the decentralization process since the establishment of international administration in the Republic of Kosovo, with a special view on the period after the declaration of Kosovo's independence.¹¹

In accordance with the Constitution of Republic of Kosovo, the MLGA sponsored the three basic laws on local self-government: the Law on Local Self-Government No. 03/L-040; Law on Local Government Finance No. 03/L-049; and Law on Administrative Boundaries No. 03/L-041.

¹¹ See more at: Ministry of Local Government Administration, *PROGRESS REPORT ON IMPLEMENTATION OF DECENTRALIZATION IN THE REPUBLIC OF KOSOVO*, 2011.

Challenges of decentralization policy in Kosovo

Decentralization is a policy and a program designed to reform government as well as governance, which leads to new institutions of government and shifts of vertical power sharing with its proponents and opponents.¹² Economic underdevelopment of newly created municipalities; low level of investments and high rate of unemployment; limited budget; lack of infrastructure; lack of qualified human capacities; intense politization of public administrative capacities; never-ending political demands by the Serbian community; insufficient development of political culture; institutionalization of the existing ethnic divide...are directly influencing the decentralization process.

Law on Local Self-Government guarantees broad local competencies to the municipalities. European standard-wise, this law fulfills all the elements that make a municipality not only self-sustainable but also provides them with the necessary administrative and financial means to broaden the prospects of good governance; local economic development and more security for the communities, especially those considered marginalized.

Findings on the ground

For the sake of attaining thorough perspective on the benefits and challenges that decentralization process has yielded throughout these years, we have provided the stakeholders (local government officials and local citizens) with a questionnaire. Below you may have a look as to how and what these social groups think in regards to the overall decentralization process.

The newly created municipality

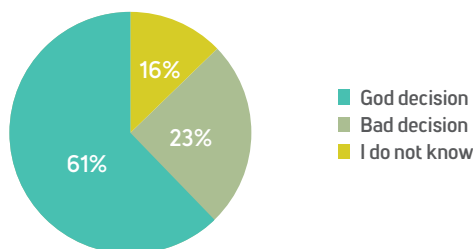
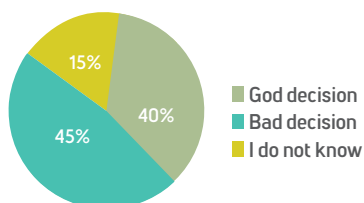


Figure 1. The Kosovar with Albanian and Serbian ethnic background perspective on the process of decentralization.

¹² Wolf Linder, *Political Challenges of Decentralisation*, University of Bern, 2004. <http://www.unifr.ch/federalismnetwork/assets/files/Resources%20ALUMNI%20Website/Wolf%20Linder%20Decentralisation%20challenges.pdf>

Note: This graph shows that the majority of ethnic Albanians and Serbs conceive this process as a positive element following with those of 23% who disagreed and 16% having no opinion.

The newly created municipality was a:
(Alb)



The newly created municipality was a:
(Ser)

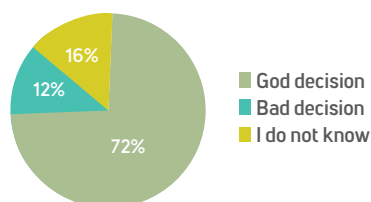


Figure 2 & 3. The first below graph represents only the Kosovar with Albanian ethnic background perspective on the process of decentralization and the second represents the Kosovar with Serbian ethnic background.

Note: In general terms Kosovar with Serbian ethnicity have expressed more doubts comparing to their Albanian compatriots that the process of decentralization has achieved to yield the expected positive results as proclaimed by the international

Do you think that the newly created municipality has increased the potential to provide

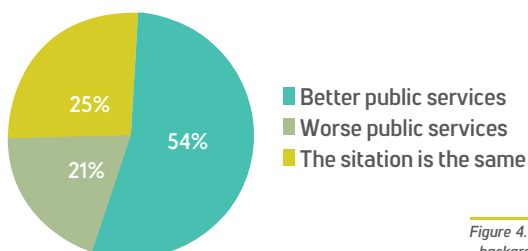
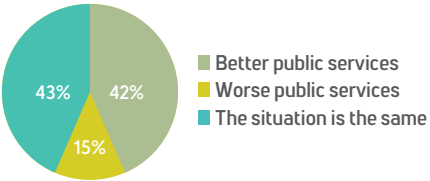


Figure 4. The Kosovar with Albanian and Serbian ethnic background perspective on whether the newly created municipality from the decentralization process has helped to improve the overall public services

Note: Quite above the average of the citizens of both ethnicities claimed that with the creation of new municipalities – has followed with quite better delivery of public services.

Do you think that the newly created municipality has increased the potential to provide (Alb)



Do you think that the newly created municipality has increased the potential to provide (Ser)

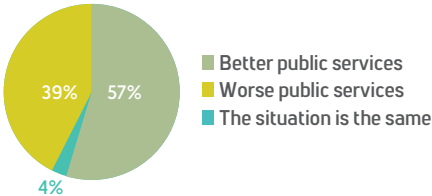


Figure 5 & 6. The first below graph represents only the Kosovar with Albanian ethnic background perspective on whether the newly created municipality from the decentralization process has helped to improve the overall public services and the second graph represents their viewpoint of Serbs on the same matter.

Note: These graphs show that Serbs have a bit more positive viewpoint comparing to Albanians in regards to effectiveness in delivering the public services by municipalities created under the decentralized governance.

Do you feel more secured now or then

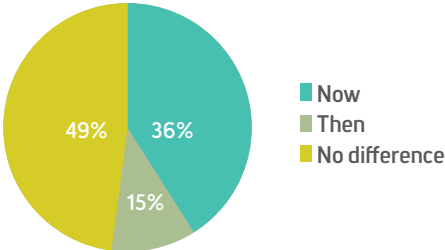
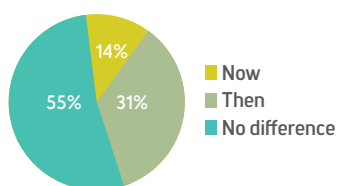


Figure 7. The Kosovar with Albanian and Serbian ethnic background perspective on whether the newly created municipality from the decentralization process has contributed to the increase of their security.

Note: In terms of security, both ethnicities have claimed that there were no any difference, or 49% of them stated that the security is the same comparing to the previous administrative and municipal boundaries. Whereas, 36% of them claim that their feel more secure and 15% claimed that before the new administrative and municipal boundaries took effect, they felt more secured.

Do you feel more secured now or then (Alb)



Do you feel more secured now or then (Ser)

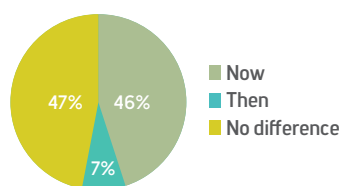


Figure 8 & 9. The first below graph represents the Kosovar with Albanian ethnic background perspective on whether the newly created municipality from the decentralization process has contributed to the increase of their security and the second reflects the viewpoints of Kosovar with Serbian ethnic background on the same issue.

Note: both ethnicities have common reflection in regards to whether the decentralization process has had any real effects in terms of their security: Albanians claimed 55% and Serbs 47% that the new administrative boundaries reflected with the reinforcement of decentralization laws have not any effect; whereas, Albanians this (14%) that now they feel more secured while Serbs have in more percentage (46%) claimed that they feel more secured when the decentralization laws took effect. Nevertheless, Albanians claim (31%) that the previous administrative boundaries have made them feel more secured, comparing to Serbs who represent this opinion with only 7% of them.

What is your family financial standing comparing to 8 years ago?

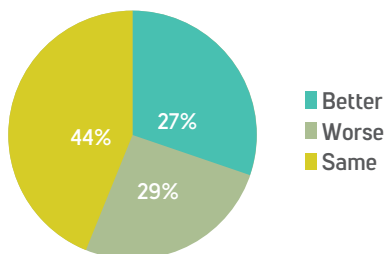
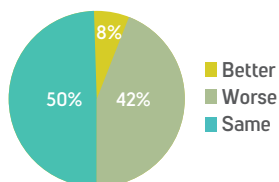


Figure 10. The Kosovar with Albanian and Serbian ethnic background perspective on whether their family financial standing has improved comparing to 8 years ago.

Note: As reflected on the graph, the majority (44%) think that the decentralization process has not made any substantial difference in regards to improving the wellbeing of the citizens. Only 27% of them think that they have contributed positively in this aspect; whereas 29% think that their family financial standing is worse now that is used to be 8 years ago.

What is your family financial standing comparing to 8 years ago? (Alb)



What is your family financial standing comparing to 8 years ago? (Ser)

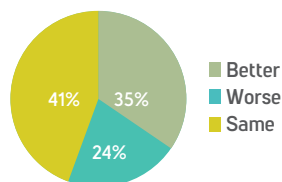


Figure 11 & 12. The first below graph represents the Kosovar with Albanian ethnic background perspective on whether their families financial standings has improved comparing to 8 years ago and the second graph represents the viewpoints from the Kosovars with Serbian ethnic background on the same matter.

Note: In terms of security, both ethnicities have claimed that there were no any difference, or 49% of them stated that the security is the same comparing to the previous administrative and municipal boundaries. Whereas, 36% of them claim that their feel more secure and 15% claimed that before the new administrative and municipal boundaries took effect, they felt more secured.

Public sectors which the citizens of newly created municipality have benefited the most

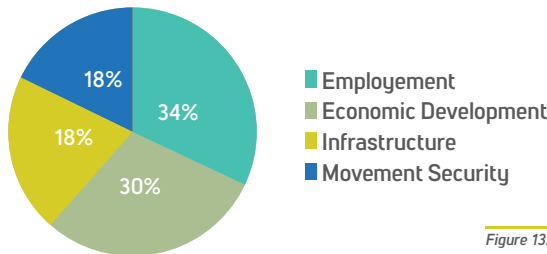
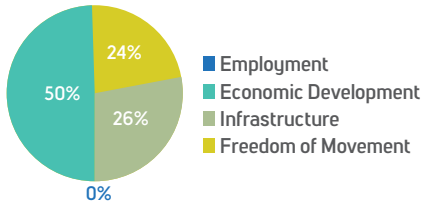


Figure 13. The Kosovar with Albanian and Serbian ethnic background perspective on public sectors of which they have benefited the most

Note: Citizens of both communities claim that the decentralizing process has contributed mostly on Employment and Economic Development. With the creation of new municipalities, authorities have much independence financial means to construct their public administration (which is the main employment driver to most small municipalities in Kosovo) as well as by the assistance from the central authority they have more financial means to invest in infrastructure.

Public sectors which the citizens of newly created municipality have benefited the most (Alb)



Public sectors which the citizens of newly created municipality have benefited the most (Ser)

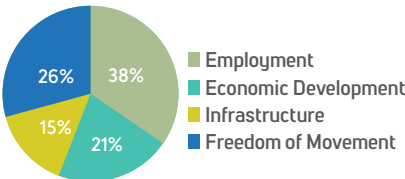


Figure 14 & 15. The first below graph represents the Kosovar with Albanian ethnic background perspective on which public sectors they have benefited the most. The second graph represents the viewpoints of Kosovar Serbs on the same matter.

Note: Albanians mostly agree (50%) that the decentralization process has contributed mostly on economic development whereas Serbs argue that this process has contributed mostly to employment (38%). Considering the employment quota, with newly created municipalities Serbs dominates thus enabling them to have much bigger advantage to employment in public administration and enterprises.

The creation of Association of Serbian Municipalities will offer more:

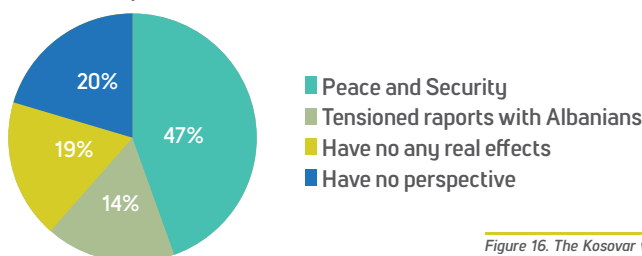
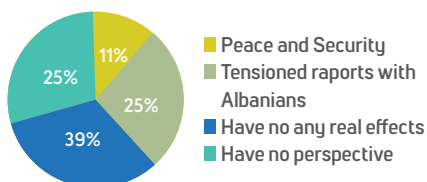


Figure 16. The Kosovar with Albanian and Serbian ethnic background perspective on the creation of Association of Serbian Municipalities

Note: The majority of respondents think that the creation of Association of Serbian Municipalities will contribute positively on peace and security while 19% of them think this institutional mechanism will have no any real effects on the ground.

The creation of Association of Serbian Municipalities will offer more: (Alb)



The creation of Association of Serbian Municipalities will offer more: (Ser)

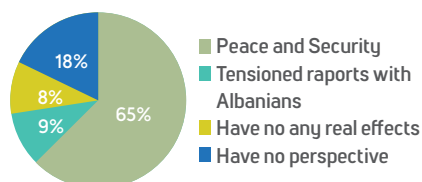


Figure 17 & 18. The first below graph represents the Kosovar with Albanian ethnic background perspective on the creation of Association of Serbian Municipalities. The second graph represents the Serbs respondents' viewpoints.

Note: Albanians (11%) presume that once the Association of Serbian Municipalities is established it will least contribute to peace and security, whereas Serbs think otherwise. They predominantly think (65%) that this institutional mechanism will mostly contribute to peace and security.

Besides, 25% of Albanians think this monarchism will lead to tensioned rapports with them and 25% think it will have no real perspective. According to those graphs, we can assume that the perspective of Serbs and Albanians in regards to the Association differs dramatically. This leads us to conclude that that once the Association is established there would be potential for mistrust and tensions between them.

Conslusions and Recommandations

Conclusion

Decentralization is a policy, a program designed to reform government as well as governance, which leads to new institutions of government and shifts of vertical power sharing with its proponents and opponents.¹³ Economic underdevelopment of newly created municipalities, low level of investments and high rate of unemployment, limited budget, lack of infrastructure, lack of qualified human capacities, extreme politization of administrative capacities, further political demands by the Serbian community, insufficient development of political culture, institutionalization of the existing ethnic divide...are directly influencing the decentralization process.

□ The majority of ethnic Albanians and Serbs conceive this process as a positive element toward social cohesion. Kosovars with Serbian ethnicity have expressed more doubts comparing to their Albanian compatriots that the process of decentralization has achieved to yield the expected positive results as proclaimed by the international community and Kosovar authorities, in the wake of the beginning of this process;

□ Serbs have a bit more positive viewpoint comparing to Albanians in regards to effectiveness in delivering the public services by newly created municipalities. There is difference between citizens and officials perceptions on service delivering by new municipalities, higher degree evaluation by officials;

□ Both ethnicities have common reflection in regards to whether the decentralization process has had any real effects in terms of their security. Again, the Serbs claimed that they feel more secured when the decentralization laws took effect (46%);

□ The majority of interviewed think that the decentralization process has not made any substantial difference in regards to improving the wellbeing of the citizens, but has contributed on employment, economic development, building infrastructure, have much independence on financial use;

There is a difference between the Albanian and Serbians respondents on the issue of creation of Association of Serbian Municipalities. Albanians (11%) and Serbs (65%)

13 Wolf Linder, *Political Challenges of Decentralization*, University of Bern, 2004.
<http://www.unifr.ch/federalismnetwork/assets/files/Resources%20ALUMNI%20Website/Wolf%20Linder%20Decentralisation%20challenges.pdf>

presume that once the Association of Serbian Municipalities is established it will contribute to peace and security. In addition, 25% of Albanians think this mechanism will lead to tensioned reports with them and 25% think it will have no real perspective. According to those statistics, we can assume that this institutional mechanism, if it contains elements of decision-making beyond Kosovo constitution, is not going to serve as a basis to foster the cooperation and reconciliation between Albanians and Serbs but rather it would only contribute to escalating tensions and mistrust.

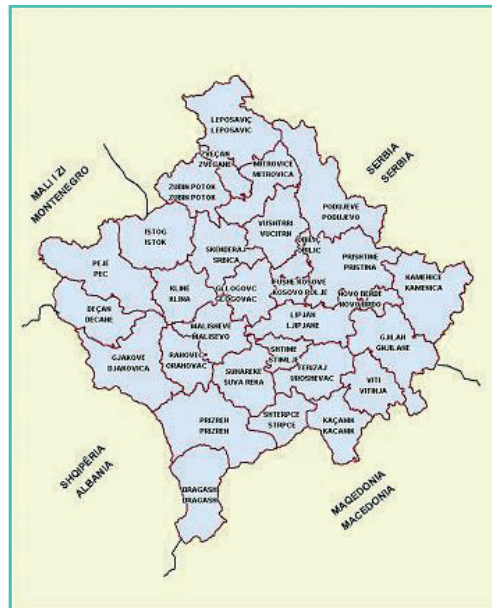
Recommendations

□ We think that investing more time in improving internal factors such as economic development, rule of law and building democratic institutions, and eliminating the external political influences, are the cornerstones for the decentralization to become successful.

□ Implementation of decentralization as a tool for reconciliation, peace-building and security improvement will be more successful in the cases when sovereignty is uncontested by ex-disputed populations.

□ Government of Kosovo must confront rigidly the short-comings of governance; must combat organized crime and corruption without compromise and must seek ways to attract foreign investors as well as develop various forms of financial and technical assistance to the local small and medium enterprises which the sole purpose is to contribute to decrease the level of unemployment; increase their export capacities and invest in sectors like: IT, energy, minerals, agriculture and education.

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□ and after the decentralization¹⁴



[Nowadays, Kosovo is composed by 38 municipalities; ten of them inhabited predominantly by Serbian community – or speaking in territorial terms, 25% of municipalities are governed by minorities – in this case Serbs – including a municipality governed by the Turkish minority. Investing more time in improving internal factors such is economic development, rule of law, building democratic institutions and eliminating the external political influences, are the cornerstones for the decentralization to become successful and have a considerable security effect.]

THE ROLE OF DECENTRALIZATION ON SECURITY IMPROVEMENT AND PEACE-BUILDING IN KOSOVO

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