

Summary of JIIA Forum Presentation

December 6, 2011

Venue: Japan Institute of International Affairs

Enver Hoxhaj Minister of Foreign Affairs of the Republic of Kosovo “Kosovo as a Stability Factor in the Balkans”

Three Aspirations

There are three orientations that “pervade” Kosovo, and I see these as having driven Kosovo at times as motivations and at times as national goals in the past, present and future. I would like to discuss these in order of importance as clues to understanding Kosovo.

First on this list is the yearning for freedom and independence that Kosovo has continued to embrace. The period between the breakup and dismantling of the former Yugoslavia that began in 1991 and Kosovo’s declaration of independence in February 2008 was quite a long one, and it was this impassioned aspiration that sustained Kosovo’s prolonged struggle for independence. In the nearly three years that have passed since independence, this yearning has been steered toward the nation-building goals of establishing social systems, helping a market economy take root, and improving the country’s international status. These efforts have paid off in numerous ways, including membership in the World Bank, the International Monetary Fund and other international institutions, recognition of Kosovo’s statehood by 85 countries – a clear demonstration of the “reality” of Kosovo’s independence taking hold – and a high GDP growth rate in the midst of the euro crisis (6%: 2011 forecast).

Naturally, more than a few difficulties have surfaced in the process. While it is true that administrative organs and the rule of law are being firmly established at a level beyond a simple “transplanting” of systems, the greatest challenge confronting the young Republic of Kosovo in making its systems function is that of how to carry out politicization, i.e., whether to choose between organizing along ethnic lines and organizing based on citizenship or to merge these two options. Under a constitution that stipulates “The Republic of Kosovo is a state of its citizens” and declares that “Communities shall have specific rights,” however, progress is being made in Kosovo to integrate minorities (ordinarily described as “communities” in Kosovo) at both the central and the regional level, and solid prospects for political stability are being built. I should add that Kosovo is proud to stand out from the crowd among Balkan countries facing similar issues.

The next ambition – this would likely be a major national goal at present – is EU membership. Kosovo is part of Europe geographically, historically and culturally, and active involvement in European integration (above all, political integration) would be the best framework for creating stability, peace and security not only in Kosovo but also in the Balkans as a whole. For Kosovo itself, integration into the EU is absolutely essential for modernizing the country and improving its competitiveness, and Kosovo's accession to the EU could generate benefits for the EU, Kosovo, and the entire Balkan region. In this regard, the report by the European Commission released this year gave a positive assessment of improvements made to Kosovo's legal and political systems, etc., and the prospects for integration overall are good. In particular, the negotiations with the EU on visa liberalization scheduled to start soon and be successfully concluded within a few years are expected to be a milestone in the integration process.

Kosovo's third ambition is building relations with major countries, both EU and non-EU member states. During the full 20-year process of gaining independence and building a state, Kosovo has received considerable political and economic assistance from numerous countries, and it has emphasized relations with the US above all for the sake of its own stability and that of the region. Indeed, one of my aims in this first and admittedly short visit to Japan is to further deepen relations with Japan, a country that has provided us with support in critical areas at decisive times for our country and was one of the first to recognize our independence. As a small country, Kosovo is keenly aware above all else of the importance of going beyond just cooperation between governments and building ties between the various actors comprising society and between citizens, and I consider it an important part of my duties as foreign minister to visit as many countries as possible and stimulate interest in the presence of Kosovo as a newly-born state. No matter how strong economic and trade relations are, they will be ultimately be defined by such cooperative ties, which indeed serve as the cornerstone on which the nation's independence rests.

Topical explanations

(Present status and prospects of Kosovo recognition by EU member states)

Kosovo at present has received recognition from 22 of the 27 EU member states. The remaining five states frequently cite concerns about the "legality" of Kosovo independence as a reason for withholding their recognition of Kosovo, but in 2010 the International Court of Justice ruled that Kosovo's independence did not contravene international law or UN Security Council Resolution 1244 (1999), so I would note that non-recognition of Kosovo because of questions of "legality" has now lost any viable grounds. From its outset the EU has been a complex organization encompassing a variety of actors, and the fact that there are both recognizing countries and non-recognizing countries within the EU can itself be said to clearly demonstrate this. Nonetheless, the presence of countries that have not yet recognized Kosovo has not on the whole constituted a major obstacle in recent negotiations

with the EU – for example, discussions on trade agreements already underway are expected to produce results within the year – and there is a sense of living in a completely different age when one thinks back to the tense atmosphere of a few years ago. Steady progress is being made, albeit with some twists and turns along the way.

(Expectations of progress in Japan-Kosovo relations)

Stable economic growth is a burning issue for Kosovo, which must pursue nation building after 20 years of conflict, and it has put high expectations in investment from Japan. Beneficial cooperation is possible in the mining and manufacturing sectors, given Kosovo's wealth of natural resources, as well as in such areas as energy, communications, tourism, the environment and education. Kosovo occupies a key strategic and geopolitical location in the center of the Balkan peninsula, and will presumably become a part of the European market in the near future. From Japan's standpoint, Kosovo could potentially serve as a "foothold" in the European market, one of the world's largest, and we would like to see Japanese companies deal with Kosovo from a long-term perspective of generating serious profits over the medium to long term with near-term investments. We are planning to hold a business forum next year attended by major players in Kosovo's political and economic circles, and we hope to more actively publicize Kosovo's stance at such venues.

(Present state of Kosovo's economy and relations with Serbia)

As noted earlier, Kosovo has achieved a high GDP growth rate but, because it has only recently gained independence as a state and, what's more, because it started building its economy from a relatively low stage, there is a variance between its numerical performance and its development in real terms. In particular, given that substantial structural adjustments are being made in the mining and manufacturing industries (most of all, the coal mining sector, which boasts some of the world's largest reserves), the principal sectors for the past 30 years, and given that the coal mining industry itself is facing harsh conditions across Europe and around the world as environmental issues become a bottleneck, we are focusing in the near term on constructing an industrial base capable of replacing these sectors, and we are also making improvements to infrastructure, such as constructing a highway connecting Kosovo and Albania. Because the "power" of small countries lies ultimately in the quality of their human resources, we are emphasizing education and pursuing investment in human capital. I should repeat, however, that everything in Kosovo at present is "under construction."

In March of this year we began technical dialogues with Serbia with the assistance of the EU. Various issues stemming from the fact that our two countries were previously one – e.g., mutual recognition of academic degrees, freedom of movement, energy, and communications – have been brought up for discussion, and these technical dialogues continue to have a positive effect overall in building relations of trust, even if they are making

very slow progress. A good example of this is the fact that agreement has been reached in discussions on border control to adopt an EU-style of national border control, which will lead to the de facto recognition of the existence of national borders and of Kosovo as a state.

(The democratic nation-building process in the multi-ethnic state of Kosovo)

Citizen participation, in other words national integration, is an important issue in democratization for any state and, in Kosovo's case, democratization is for the most part synonymous with reconciliation efforts toward minorities. Approximately 150 million euros have been invested over the past three years to address this issue in Kosovo and, in addition to the Serbian and other communities having formed local administrative organizations, 26 of the parliament's 120 seats have become posts for the representatives of the various communities. 90% of the targets set by the mission of former president of Finland Martti Ahtisaari, who led Kosovo's status process, to be achieved by 2015 have already been completed; indeed, the fact that the International Civilian Office overseeing this has noted the possibility that all of its projects will be completed within the next fiscal year offers a glimpse of the progress made in this area. "Integration" entails providing systemic measures (instruments) such as the best social justice and education/medical care to all people, and this cannot be realized overnight. Nevertheless, if detailed comparative research were to be conducted, it would no doubt become clear right away that Kosovo has recorded steady progress as measured against indices reflecting minority and civil rights.

(The EU from Kosovo's perspective)

It is a fact that many issues confront the EU in addition to the euro crisis – aging populations and other demographic issues among them. For small countries such as Kosovo and other Balkan nations, though, the EU is the best organization currently in existence and there will be no wavering from the previously-mentioned determination to gain accession to the EU. I should add here that, notwithstanding Kosovo's intent in this regard, the EU's own stance on expansion versus contraction and the possibility of political integration within the EU interfering with the sovereignty (dominion) of member states will have a serious impact on this process.