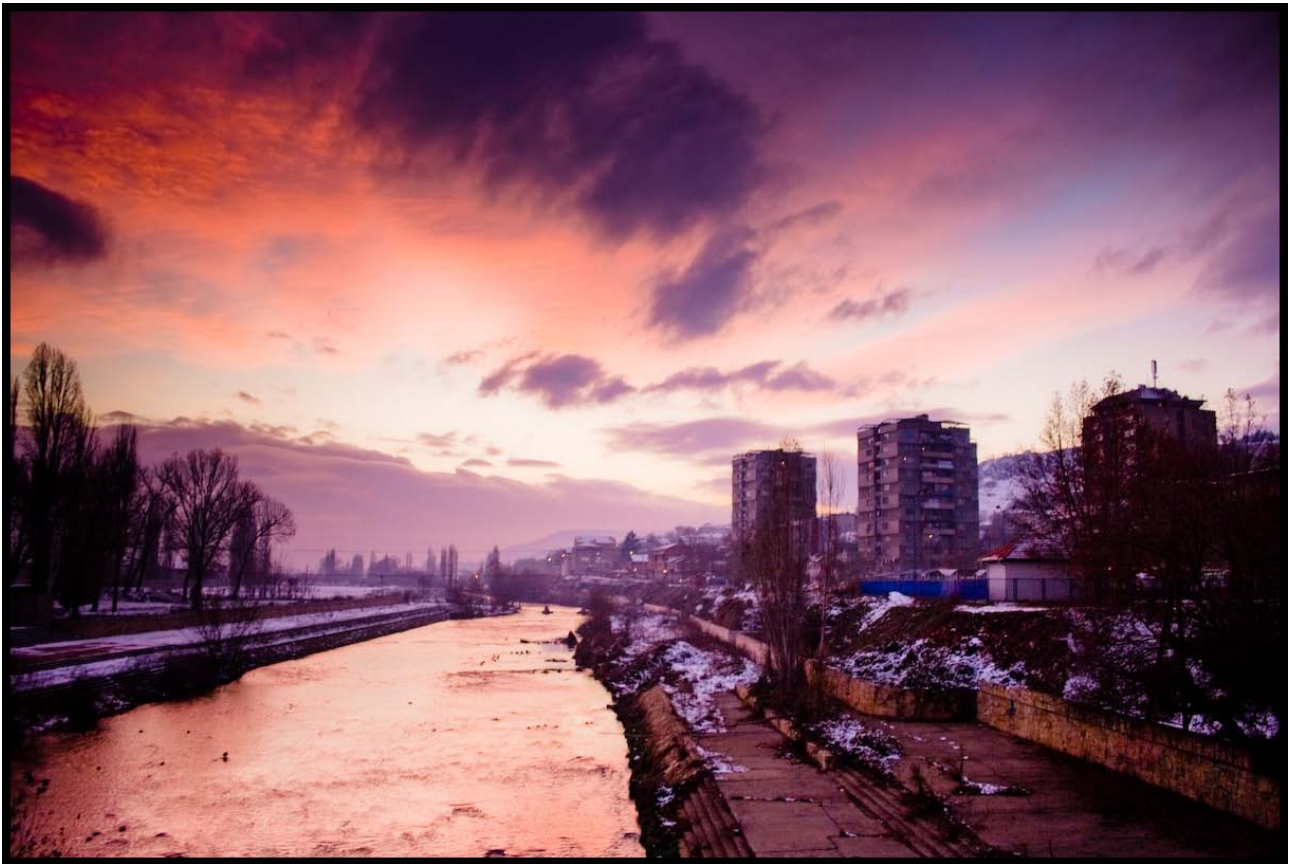


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Trading with the enemy in Mitrovica, Kosovo.

The Kantian Peace Paradigm extended to ethnic groups.



(Mitrovica, from the main bridge over the river Ibar)

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NOTES

Albanian and Serbian are both official languages in Kosovo and they both have their own spelling for most names, including cities. For example, the city known in English as Mitrovica is generally called "Mitrovicë" in Albanian and "Kosovska Mitrovica" in Serbian. Because of practical reasons and because this thesis is written in English I will use the names which are most commonly used in English. If an English version of the name does not exist I will name both the Albanian as well as the Serbian name.

This thesis is about trade between ethnic Albanians and ethnic Serbs in Mitrovica, Kosovo. These will simply be referred to as Albanians and Serbs during most of this thesis. When referring to Albanians and Serbs outside of Kosovo this will be explicitly noted. In some occasions it will be stressed that the Albanians or Serbs I'm referring to are from Kosovo in order to avoid confusion.

The political institutions of the Albanian majority in Kosovo declared Kosovo to be independent from Serbia on the 17th of February 2008. This thesis is neutral on the subject of independence, and therefore it will be left open to anyone's interpretation if "Kosovo" is referring to an independent state or a province of Serbia.

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EXECUTIVE SUMMARY

The topic of this thesis and its research is trade between ethnic Albanians and ethnic Serbs in Mitrovica, Kosovo. This thesis researches if the trade aspect of the Kantian Peace Paradigm - which holds that higher levels of trade between states lower the chances of (armed) conflict - can also be applied to ethnic groups.

During the 1990's tensions between Albanians and Serbs living in the (then) Serbian province of Kosovo grew and eventually escalated into an armed conflict. The conflict was ended in 1999 but tensions between Albanians and Serbs remain high. There is still an almost complete lack of contact between the two ethnic groups, despite the International Community's best efforts to improve relations during the past 10 years. In Mitrovica, a city located in the north of Kosovo inter-ethnic relations are the worst as it's the only place in Kosovo where ethnically motivated violent incidents are still common. The city is divided by a river, with the Albanian population living to the south of this river and the Serbian population living north of it. In this divided city there is virtually only one sector in which inter-ethnic contact takes place: trade. This thesis examines if this inter-ethnic trade can contribute to better relations between Albanians and Serbs living in Kosovo.

The philosophy behind this thesis is very similar to that of the Kantian Peace Paradigm, which holds that trade creates connections and interdependence and this in turn reduces the chances of conflict. Although plenty of evidence has been gathered the past decades in favour of the Kantian Peace, the theory has always and only been applied to states. I will argue in this thesis that - as interstate conflicts are decreasing and intrastate conflicts are on the rise - it is time to move the Kantian Peace theory out of its macro level and into the micro level.

For this research six months of participatory observation and interviews were conducted in Kosovo, mainly in Mitrovica. The inter-ethnic trade in Mitrovica is to a very large extent shaped by the specific characteristics of this town. There are certain inter-community rules in Kosovo that forbid contact with "the other", grievances from the conflict still exist, the political conflict over Kosovo's territory is still raging on and people in power in Mitrovica use this for their own criminal activities and to hinder inter-ethnic progress. These factors all hinder inter-ethnic trade but are not enough. People engage in inter-ethnic trade because they need money. The unemployment rate in Mitrovica is 77% and unclear laws make trade profitable.

Although all traders who were interviewed said they were only in it for the money the results of this research indicate that it is very likely that inter-ethnic trade in Mitrovica can improve relations between Albanians and Serbs in the long run. On top of that, the results show that the Kantian Peace theory can - to some extent - be applied to ethnic groups.

This thesis concludes that trade between Albanians and Serbs in Mitrovica may be an effective mechanism for improving inter-ethnic relations and should therefore be considered as an alternative to the more traditional (and greatly disliked by the local population) reconciliation programmes. Regarding the Kantian peace, this theory has shown its flexibility during the course of this thesis and its expansion from states to ethnic groups seems to hold great promise.

CHAPTER 1: INTRODUCTION

*“Sixteen years,
Sixteen banners united over the field
Where the good shepherd grieves.
Desperate men, desperate women divided,
Spreading their wings 'neath the falling leaves.*

*Fortune calls.
I stepped forth from the shadows to the marketplace”.*
-Bob Dylan, Changing of the Guards.

For the past 600 years Albanians and Serbs have lived together in Kosovo. Most of this shared history there were no issues between them, and historically it's sometimes hard to distinguish between them despite their different ethnicity, language and partly their religion. This has changed. When Yugoslavia's economy started to fail in the 1970's ethnic tensions slowly started to rise. This started in Kosovo – Yugoslavia's poorest region, leading to stronger segregation and later to civil war. Mitrovica, a city in the northern part of Kosovo located exactly on the river Ibar became a conflict hot spot. Although Mitrovica was a mixed city before the war, after the war it became a divided one with Albanians living in the part south of the river Ibar and Serbs living in the north part. This division is nowadays a characteristic of Kosovo: there is no contact between Albanians and Serbs any more. Mitrovica became a magnifying glass for the Kosovo conflict, as it is known as the place where most of the inter-ethnic violence happens. Lately, Mitrovica also became known for something else: inter-ethnic trade. In a society where people not only do not want inter-ethnic contact but are also punished by their own community for engaging into contact with “the other”, money seems to be the only thing that can lure people out of their fortifications. These relations between Albanians and Serbs in Mitrovica and how they can be influenced by inter-ethnic trade are the topic of this thesis.

The idea that “trade brings peace” is not new. Some people date it back to the ancient Greeks, while other point at Immanuel Kant or Adam Smith as its source. By now the theory – referring to trade and relations between states - has accumulated a wealth of data in favour of its claim, although there are also critics of it. Perhaps more importantly, this liberal theory has influenced western policy makers who pursued better relations with other states strongly since the end of the Second World War. It has even on occasion influenced western policy makers in the Balkans who tried to achieve better relations between the different ethnic groups after the violent conflicts of the 90s (Andreas, 2004). This may be a bit premature since no research has been conducted yet on the pacifying effect of trade on relations between inter-ethnic groups. There may be a huge amount of research and analysis' conducted on the “trade brings peace” theory, but this was all aimed at relations between states, never between ethnic groups. Since so little is known so far, this research will have a more exploratory character.

The specific context of this study is Kosovo's divided town Mitrovica, located in northern Kosovo. Mitrovica is a complex city where every-day life is shaped by politics and inter-ethnic relations. Most people's main

concern however, is the economy (CARE international, 2006). Kosovo's economy is in ruins. Kosovo always was the poorest region of Yugoslavia, and the ethnic tensions and civil war made its economy worse. Currently, Kosovo's import is a tenfold of its export, and its unemployment rate is 40% (ECIKS, 2008). In Mitrovica the unemployment rate is as high as 77% (OSCE, 2008) and the people who do have a job in Kosovo earn an average of 238 Euros a month with this (ECIKS, 2009). On top of that it has 30.000 young people entering the labour market every year looking for jobs that are simply not there (UN, 2008). These desperate times call for desperate measures. Although contact with the other ethnic group is still more or less non-existent and even forbidden by both communities in Mitrovica, some people saw business opportunities across ethnic group lines and seized them. There are many known cases of Albanians and Serbs doing business together in Kosovo despite their best efforts to keep these activities secret out of fear from their own community.

Re-establishing contact is an obvious first and important step in reconstructing inter-group ties between two communities divided by war and ethnic tensions. In a political climate like Kosovo's there are many actors that prefer to keep the groups apart. These are so powerful that when crossing these ethnic lines people almost have more to fear from their own community than from the "enemy" across the river. People who do engage in inter-ethnic contact in Mitrovica can expect violent reprisals from within their own community. The most well known examples of these reprisals are car-burnings: people from within the same community burn the car of a "traitor" which is in turn blamed on the other ethnic group. There is no official name for these inter-community rules, but a 2006 report on peace building in Kosovo by the NGO Care International named it "the rules of the inter-ethnic game", which is the word I will use as well during this thesis as they will be discussed more extensively later. These rules of the inter-ethnic game make it clear that there is a double motivation for people not to establish contact with the other ethnic group – fear from the own community's reprisal and fear or hatred of the other community for more emotional reasons. It is clear that crossing these lines and establishing contact with the other group is only worth it when there is something to gain. This is the most simple explanation for why the only inter-ethnic contact that is happening is out of economic interest.

The fact that there is contact in trade does not necessarily mean that this will also lead to better inter-ethnic relations, but this is important to explore for various reasons. From a theoretical perspective it is important to explore if the "trade brings peace" theory also applies on relations between ethnic groups, because there is a lack of data on this subject while the theory is already influencing policy related to inter-ethnic matters. From a practical perspective it is relevant because all previous efforts at improving relations between Albanians and Serbs in Kosovo seem to have failed. Since the end of the conflict in 1999 the International Community (IC) presence in Kosovo, consisting of the United Nations (UN), European Union (EU), the Organisation for Security and Cooperation Europe (OSCE), the European Union Rule of Law Mission in Kosovo (EULEX) and hundreds of international Non-Governmental Organisations (NGO's) and Inter-

Governmental Organisations (IGO's) as well as individual country-representatives or international actors have made it into one of their goals to make Kosovo a multi-ethnic society. Kosovo has been receiving about 160 times the average yearly per capita aid of all other developing countries combined (Mayr, 2008) with a large part of this aid aimed exactly at peace building programmes, but little progress has been made. Kosovo is not becoming multi-ethnic. As I am writing this there are daily, violent protests of Serbs in North-Mitrovica against Albanians reconstructing their houses in the same area¹. The NGO "CARE" (CARE, 2006) found in a study interviewing over 200 people in diverse communities in Kosovo, that there is still no contact between Albanians and Serbs outside of organised NGO activities or pure necessity. Also, there still is inter-ethnic violence as well as intra-ethnic violence against people having contact with "the other" taking place. On top of all evidence pointing to the ineffectiveness of these reconciliation efforts, the local population has grown hostile towards them. They see these efforts or reconciliation programmes as a waste of money and feel "forced" into liking their former enemies. If this study would find that there are indicators that inter-ethnic trade might improve relations between Albanians and Serbs, this information could be used to create policy measures. Policies that can perhaps improve relations not in the form of the highly unpopular reconciliation programmes but in the form of economic development: killing two birds with one stone.

This thesis focuses on inter-ethnic trade in Mitrovica to explore its effects on intergroup relations between Albanians and Serbs. The hypothesis is that trade can in some but not all cases lead to better individual relations between Albanians and Serbs. On a group level inter-ethnic trade can make the groups more dependent of each other, decreasing the possibility of violent confrontation. This trade might help relax the "the rules of the inter-ethnic game" which currently forbid any form of inter-ethnic contact - except for economic reasons.

1.1. Research Purpose - Topic / thesis question

Inter-ethnic trade in Mitrovica and its effects on relations between Albanians and Serbs is the topic of this thesis. The past 30 years relations between Albanians and Serbs in Kosovo have been deteriorating, resulting in a civil war between 1998 and 1999. The international community presence in Kosovo since the end of the conflict has been struggling with improving the relations between these two ethnic groups – to no avail. The groups are completely segregated and there is virtually no contact between members of these groups. An exception this happens when there is economic interest. Because of this economic interest especially trade between Albanians and Serbs is blooming. The central question of this thesis is if this trade can lead to better relations between Albanians and Serbs in Mitrovica, the most divided city of Kosovo.

¹ B92. Visited on 07-05-2009
http://www.b92.net/eng/news/politics-article.php?yyyy=2009&mm=05&dd=06&nav_id=58959

1.2. Problem Formation

The central research question of this thesis is:

“To what extent can inter-ethnic trade in Mitrovica lead to better relations between Albanians and Serbs living in Mitrovica? In which context is this inter-ethnic trade taking place?”

This thesis will answer the central question by answering these further smaller sub-questions:

- In what context of inter-ethnic relations is trade taking place in Mitrovica?
- How does the economy influence trade and inter-ethnic relations?
- How do Albanian and Serbian politics influence trade and inter-ethnic relations?
- How do societal rules influence trade and inter-ethnic relations?
- How do different groups with experience or knowledge of inter-ethnic trade assess its potential effect on relations between Albanians and Serbs?
- What theoretical effects of inter-ethnic trade can be expected on a group level?
- Can inter-ethnic trade be used as a policy tool to improve inter-ethnic relations where reconciliation programmes have failed?

1.3. Research Relevance

This topic has scientific as well as societal relevance. Kosovo is right now an almost completely segregated society, where Albanians do not have any contact with Serbs and vice versa, and this segregation is especially strong in Mitrovica: “the divided city”. It has been a goal of the International Community from the beginning of their presence in Kosovo to improve inter-ethnic relations, mainly to stabilise the region and prevent a new war. Looking at the current segregation their efforts have so far not been successful. There is some inter ethnic contact though – when there is economic interest. The most visible of these contacts are trade contacts, paradoxically these are strongly present in Mitrovica despite its reputation to be a conflict hot-spot. If these trade relations can influence relations between Albanians and Serbs in a positive way this could become an important strategy for improving inter ethnic relations, and offer some hope life in Kosovo can ever turn back to normal.

Scientifically this is also a relevant topic because there has not been any research yet on the effects of trade between ethnic groups in conflict on their relations. There has been much research on the (positive) effects of trade between states on their relations, but not on groups within state borders. This would open new possibilities for research and expand on current knowledge of human geography, conflict studies and inter-group relations. More specifically this research could not only expand on the Kantian Peace and related theories, but open an entirely new direction for it. This new direction which focuses on conflicts between ethnic groups instead of conflicts between states fits our current socio-political climate better. As at this point only 10% of all armed conflicts worldwide are between states and conflicts within states seem to be on the rise (Byman & van Evera, 1998) this new direction is crucial.

1.4. Thesis organisation - Short outline of research.

This thesis has 7 chapters. This first chapter functions as an introduction. Chapter 2 will discuss the research methods: how and how many people were interviewed and on which scientific basis. It will also discuss how other information was gathered in the field. Chapter 3 will discuss theoretical arguments for the hypothesis that trade can improve inter-ethnic relations, these theories will be drawn political science, human geography and conflict studies to predict effects that could be happening in Mitrovica. Chapters 4 & 5 discuss the context of inter-ethnic relations and trade in Kosovo. For this, material will be used from interviews, field notes and literature. It will focus on how relations between Albanians and Serbs have developed over the past 20 years to reach the point where they are now. These chapters also discuss the influence of the economy and politics on inter-ethnic relations and trade, societal rules regarding inter-ethnic contact and trade and the lack of effect of reconciliation programmes so far. Finally these chapters will discuss how people have adapted to the lawless border zone that is Mitrovica: how and why trade is happening exactly there. Chapter 6 will discuss the opinions of experts. People who are in the business of inter-ethnic trade, who have experience with it or have special knowledge about it, as well as people who have a lot of experience dealing with inter-ethnic relations – for example by working in reconciliation programmes for years – were interviewed for this purpose. Chapter 7 will offer the conclusion to this thesis and research.

CHAPTER 2: METHODS

In this chapter the used methods for my research will be discussed: how it was conducted and analysed, it's practical limitations and ethical considerations. This is to show that my data is gathered and analysed in a scientific valid way which will hopefully contribute to the credibility of my results.

2.1. Used methods – the Extended Case Method.

Kosovo is a very complex region as daily life is shaped by history, politics, the economy and inter and intra community rules in a more extreme way than for example in the Netherlands. Because of this complexity not only inter-ethnic trade and inter-ethnic relations are explored, but also the rich context in which these are taking place and developing, on both a micro as well as a macro level. I believe that inter-ethnic relations and the trade that is a part of this cannot be understood without examining the economic, political and social situation in Kosovo and Mitrovica specifically.

To match this complex environment, guidelines from the Extended Case Method (ECM) were used to successfully conduct my research. The ECM was developed by Michael Burawoy in 1991 to check existing theories for flaws and modify them accordingly (Babbie, 2004). It's an reflective approach that embraces the fact that it is almost impossible to do social research without having an influence yourself on your surroundings. This method of field research does require a sufficient inquiry in literature before conducting the actual research. This orientation is opposite of say Grounded Theory, which argues that knowledge of others conclusions might influence one's own observations and theories (Babbie, 2004).

Because Kosovo is a very complex and sensitive environment I believe it was necessary to have sufficient knowledge of the situation before I arrived. So, I left for Kosovo with already some knowledge about the region as well also specific theories in mind for my research. I did stray a bit from the ECM to the extent that there is not a clear testable theory on my topic yet. Since there is no theory or research done yet on the question if inter-ethnic trade can improve relations between the trading ethnicities, I had to gather related theories which will be discussed in the theoretical chapter of this thesis. So, although the ECM is used as a rough guide, my research is a bit more of an exploration into a topic than the average ECM based research.

My research was partly participatory and because of this I had to think about to which extend I should integrate into the Kosovo society. In line with the ECM I decided that more integration would lead to a better understanding, so this is what I tried. Although I must say that I felt more like Fred Davis' (1973) 'Martian' than his 'Convert', simply because the society was quite different. I tried to be open and understand the perspectives of the local population and often discussed Kosovo's current situation with local friends and colleagues. Because I spend half my time in Pristina and half my time in Mitrovica north, I effectively spend half my time with Albanians and the other half with Serbs. This was a very interesting experience for me and

I learned a lot from it, as I found myself agreeing and disagreeing with both sides on occasion. I was able to participate to a high extent in daily life by making acquaintances and friends quickly among the local population. Since I worked as an intern for Spark I came into contact with a lot of students which made this process easier. Because of this I was able to discuss daily events with them and learn a lot about their views on many things relevant for my thesis. This was not official research though, it just helped me to get a very clear view of the situation in which my research topic is situated.

Although I could participate in daily life to a high degree, people would treat me differently because I am an 'international'. In Pristina this would not really be a problem because when I arrived in Kosovo it had just declared its independence and Albanians in general were very thankful and respectful towards internationals because of this. In Mitrovica north it was the opposite because 'internationals' are often seen by Serbs as 'agents of the independence'. On top of that some Serbs in Mitrovica see the International Criminal Tribunal for the former Yugoslavia (ICTY) as a Dutch institution that only punishes Serbs, and also do not like the fact that right now the Dutch government is blocking Serbia's goal of getting into the European Union. In short, the Dutch are not really appreciated in Mitrovica north, and I'm sure this will have influenced some people's reactions to me. Because of these issues, the language barrier and some other reasons I could only integrate into society to a certain degree.

Also, since my topic was inter-ethnic trade in Mitrovica, I was not able to participate in this activity myself. After all, I'm not an Albanian or Serbian trader in Mitrovica. This was a problem in more than one way. First, since inter-ethnic trade is happening in secret, it was very difficult to find out who is trading to begin with. Second, if it was known that someone is trading it was still hard to get him or her (actually I did not hear about any female traders but just to be politically correct) to be willing to answer some questions. "*No fucking way*" was a popular answer. In the end I found three traders who were willing to talk, but only because a mutual friend/acquaintance negotiated this for me. This obviously may have caused a selection bias. The selection bias may be in favour of less radical people who were willing to talk with an 'international' and/or may be in favour of traders engaged in the more legal spectrum of trading activities. Although I must say I do not believe much trade is completely legal in Mitrovica. Also, since these interviews were a favour of those traders to their friends (my translators) they were not very motivated to talk and the interviews would be quite short (15-30 minutes). Last, in these interviews it was clearly visible that all three traders grew more uncomfortable over time as they disclosed more information. This will be discussed more thoroughly later in this thesis.

One last thing that needs to be addressed regarding my used methods is objectivity. A perfect researcher should be completely objective, but this is in practise not really possible. I was aware of this and therefore I took some measures to at least try to stay as objective as I possibly could. I tried to challenge my own assumptions and balance my different contacts. One of my assumptions before I left was that I needed to

balance out contact between Albanians and Serbs to get a more objective view because these groups were more likely to disagree. While Albanians and Serbs disagree on many things, I was surprised they did not disagree on my research question, and there was a much larger difference in this regard between locals and internationals as will be shown in the results.

2.2 How the research was conducted and data analysis.

The data necessary to answer my research question was gathered through interviews in Kosovo, participatory observation during my 6 month stay on location and literature. Triangulation is a key-word here, as all information was double and triple checked as much as possible. For example, I would check information obtained from interviews with the translator or friends and/or colleges, and compare it to my own observations and information obtained from literature.

2.2.1 Interviews.

Seventeen full interviews were conducted during the second part of my stay in Kosovo. During the first 3 months I was working for the NGO Spark, both in their Pristina Office and their Mitrovica (north) Office. These first 3 months gave me the opportunity to get to know the region, start my observations and get contacts which I could later use for my interviews. These contacts were highly valuable for two reasons. First, these contacts were valuable by themselves because of their knowledge and understanding of the region. Second, this research would not have been possible without their contacts. Because inter-ethnic trade happening in secret it was for an outsider impossible to even get a name of a trader, let alone an interview. My local contacts helped me greatly with this. Also, because of these contacts and my position as an intern at a known NGO it was easier to get in touch with other people working at NGO's or international institutions and find them willing to make time for an interview with me.

Despite all these benefits, it was still nearly impossible to get into touch with any traders. Originally I had planned to mainly interview traders, but I was forced to change this goal by difficulties in the field. As previously noted the identity of traders is generally hidden (one trader who I interviewed said even his family and most friends don't know) and when I would find one they were generally not very willing to do an interview. This was because of two reasons: first, they do not really see any reason why they should make time for helping some foreign student when there's no profit (field notes). One trader asked me 500 Euro's for his information and connections for example, an offer I declined because of a lack of money and questionable trustworthiness of the man in question. Second, and more important, any of the traders I would interview about their dealings with the other ethnicity would potentially endanger themselves with this. If the information they told me would get out in the open they could face threats or even violence from their own community. This is why I was only able to interview three traders in the end, and this all happened through mutual friends or acquaintances.

Of the seventeen people interviewed seven were Albanian, six were Serbian and four were international. Besides the three traders, I interviewed 10 people working at an NGO, of which 8 were locals and 2 internationals. Three people interviewed were working at international organisations, of whom 1 local and 2 internationals. All people from NGO's who I interviewed had experience in dealing with inter-ethnic relations (many of them organised reconciliation programmes or had done so in the past) or experience dealing with economic issues. The same is valid for 2 out of 3 interviewees who worked at IGO's. Furthermore one of my interviewees was active in local politics, one worked for the regional government and another one was a journalist. Of the interviewed locals, 9 lived their entire life in Mitrovica and two of the internationals lived there for at least a couple of years.

Regarding the duration of these interviews, almost all interviews took about 1-1,5 hours, with some taking longer than 2 hours. The only notable exception to this are the interviews with the traders, which only lasted for about 15-30 minutes. My experience was that the traders were less willing or motivated to talk. Also, the traders were very reluctant to answer questions regarding their dealings with the other ethnic group. One of the traders reacted hostile on my question to his relations with the other ethnic group and implicitly told me not to ask questions in that direction.

During most of these interviews I took notes, as recommended by Francis (2002), which I would use to write down the entire interview immediately afterwards. Some authors such as Russel (2002) recommend to use an audio recorder during interviews but this did not seem appropriate in Mitrovica where such high levels of suspicion reign, especially regarding my research subject. So, although I did have an audio recorder I decided not to use it based on this and local advice as well as my own knowledge of the sensitivity of the discussed content during the interviews. Before the interview would start I would ask if I could take notes, in all but two occasions this was no problem. On one occasion the interviewee reacted slightly hostile to this and asked me not to take notes, during another the interviewee grew visibly uncomfortable when I raised the question so I refrained from making notes there as well.

Most interviews were conducted in a social setting, a bar. But some were in closed of spaces such as an office or in one case the store of a trader. All interviews were semi-structured, although the balance between structure and openness depended on the situation and research subject. I interviewed some representatives of the international community and directors of NGO's for example, in these cases I would use a more structured interview, which fitted the formal situation but also my inquiry into more specific data. When interviewing locals I tried to explore not only their job and knowledge of inter-ethnic relations in general and trade, but also their personal experiences and attitudes regarding these subjects. This called for a more open interview which went wherever the conversation went and whatever the interviewee felt comfortable with to discuss or thought was relevant. These less structured interviews delivered valuable information not only

directly for my research question but also indirect relevant information which was useful for shaping an image of the context in which inter-ethnic relations and trade take place. Traders were the most difficult to interview because they could react hostile to certain inquiries regarding inter-ethnic relations. This made me change my questions or phrasing of these questions often. Traders did not like to discuss the other ethnic group and especially not their attitudes regarding them, so my questions were quickly rephrased into more technical terms which would be acceptable to them. For example, instead of asking any direct questions about the other ethnicity I would ask how and in which form contact takes place: email, phone, direct contact, middle men, etc. This would be an acceptable question to them and at the same time would give me information about their relations with the other ethnic group.

Generally, the discussed and explored topics during an interview depended on the openness of the interview, my relation to the interviewee, the level of trust and the expertise of the interviewee on certain subjects. In some cases this would be very specific about certain topics such as knowledge of Mitrovica, inter-ethnic relations, trade, politics, and so on. Others would also discuss these things but from a more personal perspective, discussing how the interviewee experienced and still experiences these things.

2.2.2. Participatory observation.

During my six months in Kosovo I had a lot of chances to participate and observe everyday life and inter-ethnic relations. Since ethnic identity is such an important factor in everyday life, there was a lot to observe. The most obvious symbol of the ethnic identities are the flags. In Albanian areas there are Albanian flags everywhere, as well as flags of the Republic of Kosovo, the United States, the European Union and other flags. In Mitrovica north Serbian flags would be visible everywhere, and the occasional poster or sticker of Vladimir Putin on walls and windows also drew my attention. When taking part in everyday life interesting things in human interaction regarding 'the other' become visible. The first time I went to Mitrovica north I had to cross the main bridge from south Mitrovica. When I asked an older Albanian man for directions he asked me in fluent German why I would go there and consequently warned me not to go there because Serbs kill anyone who crosses the bridge. I was, of course, not killed and did not encounter any violence from Serbs. There were some hostile reactions from Serbs from Mitrovica north sometimes though, and these were often related to politics or inter-ethnic relations. When I tried to buy the alcoholic drink rakia – which is very popular all over the Balkans – in a Serbian shop I accidentally asked for raki which is the Albanian word for the drink. A slightly hostile reaction followed “Rakija! Rakija!”. Other illustrative examples of how inter-ethnic relations are present in everyday life are: the habit of Serbian youth to burst into singing “Kosovo je Srbija!” (Kosovo is Serbia!) at parties, posters at the university in Mitrovica the day after Montenegro recognised the independence of Kosovo saying “*all Montenegrin students have 24 hours to leave this city or else...*”, and the protests in Pristina against the international presence when there were plans of giving Serbs more autonomy in northern Kosovo – a huge contrast with the euphoria and gratitude to the international community less than a year earlier when Kosovo declared its independence. For me personally the most

interesting experience was organising a trip to Ohrid - a town in Macedonia, known for its beautiful lake and hundreds of churches and therefore a popular destination for tourists – for both Serbian students from Mitrovica and Albanian students from Pristina, as well as some international students. This trip was a part of Spark's summer universities. Many of these students had not talked to a member of the other ethnic group since the conflict and it was very interesting to see this contact develop over the days of the trip.

Activities like these and my stay in Kosovo in general gave me many opportunities to talk with locals as well as members of the international community present in Kosovo and therefore provided me with much extra information relevant to my thesis. These talks could take less than one minute or more than 4 hours, but during those I was never actively mining for data to be used for my thesis, that's what I had the interviews for. Nevertheless these talks were very valuable in shaping my views and knowledge of Kosovo as well as its internal inter-ethnic relations and therefore an important part of my participatory observation.

2.2.3. Literature.

Literature was used to expand on and check my results from the interviews and observations for validity. In the spirit of triangulation findings, especially from interviews, were compared to written sources. The used literature ranges from official documents and reports from governments and IGO's such as the EU, UN and OSCE to media, scientific articles and reports written by organisations focussed on conflict and development such as the International Crisis Group.

2.3. Practical limitations and considerations.

During my stay in Kosovo I encountered several issues which hindered my ability to conduct research, mainly because of the complex situation and different cultures. I will shortly describe these here because they may have had a negative impact on my results.

2.3.1. Security

Before I left for Kosovo and start my internship in Pristina and Mitrovica it seemed to me that my biggest issue would be the security situation. When I arrived in Kosovo in May 2008 it was less than 3 months after Kosovo declared itself an independent state and 1,5 month since some days of violence in Mitrovica north between local Serbs and UN police and NATO peacekeepers (UNHCR, 2008). It was clear that the situation was still tense and internationals were not welcome in Mitrovica north. More than a year later internationals working for organisations like the UN or OSCE are still not allowed to venture in Mitrovica north without permission or protection (field notes). Obviously, I was a bit worried. Spark was at the time the only international NGO still active in Mitrovica north, and they provided me with advice and guidelines how to behave and guaranteed me it was more safe than it looks in the media. They were completely correct as I have not encountered any problems during my stay there. I avoided drawing unnecessary attention to myself

when in the streets or in bars and generally kept a low profile. My colleagues in Mitrovica north always kept me well informed of what was going on in Mitrovica and I had planned to return to Pristina as soon as tensions started rising again, this never happened however.

Because of the tensions and more difficult situation it is harder as a researcher to challenge held values and assumptions. I had to think of my own safety, and because of my association with Spark also about their reputation. Although I was aware of the sensitivities in the region and greatly held back in making challenging or provoking comments, I must admit I did on occasion make mistakes and did cross a line for some local Serbian friends. In these cases they said it was not really a problem because they knew me but warned me not to say these things to other people. So, I am thankful for their advice. An example would be that I honestly did not understand the logic behind the opinion which many Serbs in Mitrovica share that Kosovo can never be independent because it's a part of Serbia but the Serbian Republic within Bosnia should become independent and join Serbia. My curious inquiry into this was not appreciated.

2.3.2. Language.

In general, language was less a problem than expected. Because I worked in an international NGO all my colleagues spoke good English. Local people I made contact with were often students, and therefore many of them spoke decent English. There was a big difference between Pristina and Mitrovica though, as in Pristina English is almost a second language, while in Mitrovica barely anyone speaks English except some students or NGO-workers.

Most of my interviews I could conduct in English because most people I interviewed worked at international NGO's or organisations. In four cases I needed a translator, including all three traders. As mentioned before regarding the interviews with traders a mutual friend made the connection and also did the translating. This generally went well, although in one interview the trader in question was not very serious and made many jokes and other comments, which were not translated. My translator insisted on not translating this because he claimed it was not relevant, I believe him but also believe the jokes may have been rude and/or at my expense. In a situation like this I'm sure I must have missed some information, because in some way even the jokes may have provided relevant information. In all cases however the interview was discussed with the translator afterwards to check for any missed information and also hear the translators opinion, especially to check if there was any information in the interview that he believed may not have been true.

2.3.3. Culture and inter-community rules.

Another limitation of working in a post-conflict environment, and especially one where there's still violence was that people were not always willing to talk about certain subjects. And when they did talk it remained a question to which extent they were honest. Especially Serbs have to be careful not to talk positively about Albanians because that would make them 'bad Serbs' in the eyes of their own community (field notes). One

Mitrovica Serb admitted that when he's in a bar with other local Serbs and he receives a phone call from an Albanian friend he quickly walks away before picking up to make sure his Serbian friends don't notice. There is a social climate in Mitrovica north where having moderate views can lead to dangerous situations, and therefore it is encouraged to speak out more radically against Albanians. In this way, one of my research subjects - inter ethnic relations - influenced my research. Because I was inquiring into inter-ethnic relations in Mitrovica but people are not free to talk openly about this subject because of the problematic inter-ethnic relations (and other reasons) it is likely that not everyone spoke the truth or said everything they would have said in a more open environment. Most notably, these considerations lead me to suspect that traders, who are already in a dangerous situation because they are 'dealing with the enemy' may try to compensate for this by speaking out more radically against Albanians for example. This is just an example how in this tense environment it is more likely that people are not completely honest in interviews. Personally, if I was living there, I would not openly tell some foreign student that I like 'the enemy' if that could lead to personal harm. This has to be considered when analysing the results.

The Albanian situation is perhaps even more complicated. The Albanian community in Mitrovica generally has the same 'rules' which forbid it to have friendly contact with Serbs. It seems the rules are a bit less strict in their community though, as I have not heard stories of attacks on Albanians by Albanians because of breaking these rules. In Pristina it's a different story altogether, because it seems it's accepted there to have friendly contact with Serbs. I knew several Serbs who went out for drinks with Albanians in Pristina, without ever encountering problems, but I have also heard about 'bad neighbourhoods' where Serbs are less welcome. The Albanian perspective on inter-ethnic relations with Serbs becomes more complicated when politics are taken into account. As noted before it's in the Albanian political interest to have good, peaceful relations with Serbs to prove to the IC they can be independent. This does not mean however that they suddenly like Serbs overnight or really want in an integrated society with them. As I'm seen as a member of the IC in Kosovo, it's quite likely that some Albanians might exaggerate their good relations or openness to Serbs to me.

A different problem that I encountered in Mitrovica north during my research was not related to the conflict but to general differences in culture. In my experience people from Serbs from Mitrovica were less direct than the Dutch, but it took me a while to realise this. There were several acquaintances that claimed to have contacts who are traders and that they could get me in touch with them for an interview. I happily accepted this offer of course and tried to make an appointment for this through these acquaintances in the weeks following. Somehow though, every time an appointment was supposed to be made this did not happen or if it did it was cancelled. This was followed by excuses by my acquaintance and the promise the interview would happen the next week. This kept repeating itself for over a month. After some inquiring in what this behaviour could mean I was told that it's generally very important in the Balkans to have 'connections' and this is why people often exaggerate the amount on contacts they have. Not willing to admit they did not have the connections, and maybe even surprised I actually asked them for this my acquaintances probably tried to

indefinitely postpone the interview. This did cost me a lot of time and also is one of the reasons why I interviewed less traders than expected, because before I started my research many people told me they 'knew' a trader and only after I started with my interviews I discovered this was most often not the case.

2.4. Ethical considerations.

As mentioned many times before Kosovo is a sensitive region and Mitrovica is its most extreme location. Because of this it was inevitable that some things discussed in my interviews could lead to dangerous situations for my interviewees if this information would become publicly known. This is why before every interview started the interviewees were clearly informed that their information will be kept anonymous and great effort was put into living up to this promise. I did not record the names of interviewees who discussed sensitive information so the information could never directly lead back to them. Also, I kept all the information from my interviews on my personal and password protected web-server instead of on my computer so the information could not be stolen. Also, because Mitrovica is such a small place I had to leave more details about my respondents from my results than I would have liked. For example, there are only a few internationals working in Mitrovica so if I would give information about their nationality or job in my results I might just as well give their full names. This is why details about respondents are kept very vague throughout the results section.

Besides informing respondents about anonymity they were also explained what the interview was about and that it was for my master thesis. Afterwards I would offer to send my thesis to them when it is finished, so they could see their own contribution. Some NGO-workers asked for this themselves out of interest for the topic. The topic was presented as 'inter-ethnic trade' not as 'the possible effect of inter-ethnic trade on relations between Albanians and Serbs' or anything like that. This was because of two reasons: first, from this more expanded topic description my hypothesis could be more easily guessed and this might influence the answers respondents choose. Second, inter-ethnic contact or reconciliation are in general quite negative and loaded terms, so I would be better to avoid them. Not only could they lead to negative reactions but using these words would also tell something about my political orientation: improving inter-ethnic relations is a goal of the IC but and the Kosovar government and against the goals of the Serbian government.

Although I would not introduce the topic of inter-ethnic contact early in the interview, it would eventually be introduced because it was an integral part of my research. Because this is a sensitive topic and people could have strong, emotional opinions about it, the topic of inter-ethnic contact was always introduced in an open matter. The reason for this was that people can tell their own story about it and vent if necessary, without being pushed in one direction or having to talk about it without really wanting to. It was also considered that people may have had firsthand experiences of the war and therefore direct questions in this direction were never asked, and so it was only discussed when people started to talk about this out of their own initiative.

CHAPTER 3: THEORETICAL FRAMEWORK

"Peace is the natural effect of trade. Two nations who traffic with each other become reciprocally dependent: for if one has the interest in buying, the other has the interest in selling; and thus their union is founded on the mutual necessities".

-Montesquieu (1900: 316)

This chapter focuses on the theoretical framework used in this research. The main scientific foundation is the trade aspect of the Kantian Peace theory, also known as the liberal peace or simply as the "trade brings peace" concept, which will be discussed in the first paragraph. The second paragraph will discuss trade in (post) conflict areas and how the effects of illegal trade may be different from legal trade regarding inter-group relations. The third and last paragraph of this chapter examines some points of attention which are needed when applying these theories on the specific case of Mitrovica.

3.1. The Kantian Peace

The claim that "trade brings peace" can be dated back as far as to the classical Greeks, but especially gained in popularity during the 19th century. Nowadays it's a mainstream ideology supported by a wealth of empirical data (Keshk, Pollins & Reuveny, 2004). Oneal and Russett (1999) show that many research reports in the 1990s have indicated that *"economically important trade has statistically significant and substantively important benefits for reducing interstate violence"*. To this they add their own research results which shows abundant support for this case.

The notion that trade fosters peace is perhaps best known as a part of the concept also known as 'the Kantian Peace'. This theory – based on Immanuel Kant's theory about a perpetual peace – holds that there are three important factors which reduce the chances of war for a country: membership in intergovernmental organisations, a democratic system and levels of trade causing economic interdependence. When focussed on the effect of trade and democracy on peace this theory is often referred to as 'liberal peace'. The empirical evidence for this theory is strong with only a few 'marginal' cases of war between democracies according to its supporters. The general consensus is that all three of these variables have a positive effect on peace but also affect each other positively. For example, the effect of trade would have a positive effect on a country's economy which is good for the entire population, but it would most directly affect the traders who earn their bread with it directly. In a democracy this group of traders would be more able to voice their concerns against losing trade if a war would erupt and could influence policies.

Lagazio & Russett (2004) developed a model which predicts conflicts over the period 1885-1992 with an accuracy ranging from 64.8% - 82.4%, in which they find a consistent strong effect for interdependence and democracy, and a lesser but still significant effect for membership of international organisations. The same

variables, among some others, were strong in this research in predicting cases where conflicts did not happen and peace was maintained. Chang (2005) also found, based on empirical data that *'trade increases communication and promotes peace between states'*.

Despite the majority of the empirical studies supporting the idea that trade reduces conflict, as of late this claim has also received some criticism (Keshk, Pollins & Reuveny, 2004). Ward, Siverson and Cao (2007) failed to find any support for the idea that trade dampens conflict, and they explain this by the other research focussing too strongly on data that 'fits'. The other two Kantian variables also found little empirical support in their research, where membership of international organisations even slightly increased conflict in their findings. This does not lead them to believe that the Kantian Peace theory is not correct, but may have a less strong empirical basis that previously believed. Keshk, Pollins & Reuveny (2004) are critical of the Kantian peace theory as well, and state based on their analysis that political relations influence the amount of trade between states to such an extent that when this is accounted for the effect of trade on relations disappears. Just like Ward, Siverson and Cao (2007) they do not conclude that there is no effect, instead they call for more scepticism on the theory and a deeper exploration. They are not alone in their theory that political factors influence both trade and peace. Lynn (2005) describes how the liberal belief that trade fosters peace had its influence on policy makers since end of the Second World War. It was then, he claims, that the United States policy became to strengthen trade ties with former enemies such as Japan, to make these countries dependent of the United States and with this reduce the chance on conflict in the future. That there was political will to keep good relations does not mean that trade did not help keeping those relations intact though.

These criticisms aside, it must be repeated that the majority of academics still support the idea that trade brings peace, and this is also deeply rooted in the minds of policy makers. This alone calls for a further investigation into the extent to which "trade brings peace" also applies to trade between hostile ethnic groups.

Blanton (2006) adds valuable insight to this discussion by expanding on the definition and characteristics of trade. Blanton notes as well that most empirical tests found that interdependence – generally operationalised as trade flows – is negatively correlated with conflict. But he points out that both supporters and critics of the "trade brings peace" theory focus on the same aspect: the economic costs and benefits of trade, while other aspects associated with trade are generally ignored. *"Rather than having merely economic significance, trade is an integral part of a broader network of interactions and institutions that can contribute towards the formation of a security community. Namely:*

- 1. Trade encourages the sharing of information and transparency between parties.*
- 2. Trade creates expectations of compliance and willingness across a group of states.*
- 3. Trade has cultural externalities.*

4. Trade encourages the broader expansion of economic ties.” (Blanton, 2006)

Trade has more qualities than just economics, it has cultural spillovers and leads to an exchange of ideas which can play an important role in the creation of a security community. Because of this the influence of trade on cooperation and conflict is much larger than just the exchange of money and goods. This means that the real influence of trade on (political) relations may be less shaped by trade volume and more so by the interactions and transactions that are accompanied by trade (Blanton, 2006). Blanton's results seem to confirm this, as trade was a good indicator of economic and cultural transactions and correlated with other interactions on a cultural level such as student exchanges and tourist flows. On top of that trade positively determined the frequency of economic and military cooperation, and with this trade could provide a foundation for cooperation on both economic and strategic issues.

When these theories are applied to Kosovo, a few problems arise. The Kantian peace theory is about inter-state relations and although its evidence makes the notion “trade brings peace” very believable, my research is about trade between ethnic groups, not states. In the specific case of Kosovo and Mitrovica, this is not a complete distinction as in some ways the relations between Albanians and Serbs in Mitrovica are more inter-state like than one might expect. First, Albanians consider the Pristina-based Kosovar government to be the legal entity in Kosovo and this is where their loyalties lie. The government considered legal by most Serbs living in Kosovo is still their Serbian government in Belgrade. So, while the two ethnic groups live in the same country (be it Kosovo or Serbia) they pledge allegiance to different governments. Second and more specific for Mitrovica, there's the territorial aspect. The jurisdiction of the Kosovar government officially (from a Kosovar perspective) ends at Kosovo's border with Serbia, but in practise it ends at the river Ibar right in Mitrovica. The Serbs north of the river Ibar still live in an area of Kosovo where the jurisdiction of Belgrade is much stronger than that of Pristina. When looked at it this way, it's as if both communities do live in different countries with the river Ibar in Mitrovica as its border.

So there are inter-state factors present in the relations between Albanians and Serbs in Mitrovica, but these are still ethnic groups and not states by themselves. This means the Kantian Peace cannot be expected to apply directly to this case. Since there has been no research so far that tried to apply the trade aspect of the Kantian Peace theory on ethnic groups, strong predictions based on scientific evidence cannot be made before the research is conducted. These predictions will be difficult to make even after the research is conducted since it is based on interviews. But this is not the goal of this thesis. Its goal is to explore, from a practical point of view if inter-ethnic trade can improve relations, and from a theoretical point of view to what extent the trade element from the Kantian Peace Theory can also be applied to ethnic groups. For exploring this theoretical objective, Kosovo is a good place to start. The idea to apply the “trade brings peace” theory on ethnic groups may be new and untested, but in Kosovo the difference between states and ethnic groups is less big than in many other conflicts so it does not trail too far from the original Kantian

Peace framework.

3.2. The war economy.

This thesis explores the potential contribution of trade in Mitrovica to improving relations between Albanians and Serbs. In this regard, it has to be considered that trade can also have negative effects on relations. Since little research has been conducted specifically on trade in post conflict societies the slightly broader concept of entrepreneurship will be discussed here.

Naudé (2007) divides entrepreneurship into productive, unproductive or destructive entrepreneurship. He uses Baumol's (1990: 987) definition of entrepreneurship for his argument. *'Entrepreneurs are defined, simply, to be persons who are ingenious and creative in finding ways that add to their own wealth, power, and prestige'*. Although this definition is broader than the concept of traders, it fits this group in Kosovo very well. Productive entrepreneurship contributes to the economic growth of a country, unproductive does not and destructive entrepreneurship is generally illegal and has a negative impact on the society most of the time but not always, which makes this definition slightly confusing.

During a conflict many people have the opportunity to develop substantial business interests, these people are described by Cooper (2006) as 'conflict entrepreneurs'. In many cases, these people make achieving peace more difficult because they gain more from war than peace. When the conflict ends, they also have an impact on the newly emerging post-conflict society. With the riches they gathered during the war they are often able to achieve powerful positions - such as in politics - in the post-conflict society while their interests often lie in continuing the instability of the country to benefit their illegal businesses (Naudé, 2007). This is very visible in Mitrovica where politicians and criminals walk hand in hand, if they're not the same person to begin with. This will be illustrated further in the context chapter of this thesis.

This link between clandestine trade and conflict is explored by Andreas (2004), who focuses on the case of Bosnia-Herzegovina. He argues that the recent war in Bosnia-Herzegovina was once it started shaped to a large extent by illegal trading activities and smuggling between the different ethnic groups. During the war this not only extended the conflict but later it would also shape it's outcome. When the war started Muslims in Bosnia (also called Bosniaks) hardly had any weapons, while Serbs were able to claim the majority of the materials of the Yugoslav army and therefore had an abundance of them. This made it possible for the Serbs to quickly conquer huge parts of land in Bosnia-Herzegovina, while the more entrepreneurial Serbs made a nice profit by selling these weapons to Bosniaks (Andreas, 2004). A news article about Sarajevo reported in 1993:

"By day, Serbian gunmen in the suburb of Grbavica fire mortars and sniper bullets into the Muslim-held quarters of the city, and Muslim soldiers...fire back. At night, the two forces meet at the bridges spanning the

*Miljacka River, separating the Serbian and Muslim parts of the city, and conduct a thriving trade*²

This means that (criminal) Serbs were in fact helping Bosniaks winning the war, out of their own individual self interest. It was because of this and other illegal trading activities that Sarajevo was able to survive its three year long siege. As trading – also with other partners – intensified during the war the Bosniaks were able to get enough weapons to turn the offensive in their favour. Because the tables were turned Serbs were willing to sign a peace agreement in 1995 (Andreas, 2004). Even after the conflict ended inter-ethnic contact remained very strong in the smuggling economy.

“And in the postwar period, the ability to transcend ethnic divisions is nowhere more advanced than in the thriving smuggling economy” (Andreas, 2004).

During the conflict criminals and other people normally at the margins of society were able to gather substantial riches enabling them to become the new elite in the post-conflict society. These people are now the 'criminal elite' and have close ties with the government and especially nationalist political parties. A large marketplace on the border between the federation and the Serbian republic in Bosnia was left alone by the international community for quite some time because of the huge amount of inter-ethnic contact taking place there, despite most of the trade being conducted being illegal. It was the belief of the western policy makers in liberal peace that made them think this inter-ethnic trade would be beneficial, and this is reflected in their policy. It is questionable though if the inter-ethnic contact taking place at this market did any good, because the place is being run by hardline obstructionists who are hindering ethnic integration (Andreas, 2004). Andreas (2004) notes with good reason that the western idea of trade benefiting peace may not be true in the case of illegal trade, and that this topic requires a deeper understanding.

“While Western officials promote the classic liberal argument that peace can be fostered through trade and economic interdependence, it remains to be seen whether durable peace can also come through illegal trade and clandestine economic interdependence” (Andreas, 2004).

Although the conflict in Kosovo was shorter and less intense than in Bosnia-Herzegovina, it will be shown in the context chapter that both post-conflict situations are comparable on many levels. As especially in Mitrovica hardliners and nationalists have become very powerful in the post-conflict society through criminal activities and they use this power to protect their business interests and obstruct ethnic integration.

² The New York Times. John. F. Burns. Gangs in Sarajevo Worry Diplomats. Published: Monday, October 4, 1993 <http://www.nytimes.com/1993/10/04/world/gangs-in-sarajevo-worry-diplomats.html?pagewanted=1>
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3.3. Fitting Mitrovica into this theoretical framework.

The “trade brings peace” theory, either as part of the Kantian Peace, Liberal Peace or other theories, is relevant for a better understanding of the effects of inter-ethnic trade on the relations between Albanians and Serbs because of some similarities between inter-ethnic trade and trade between states. The “trade brings peace” claim is focussed on states and its effects are mainly attributed to (economic) interdependence. It seems plausible to believe that interdependence could have the same effect on ethnic communities instead of states. As two ethnic communities become more interdependent this may raise the costs of conflict between those communities. People or specifically traders may, out of fear of losing their business, be more willing to speak out against voices within their own community who call for violence. During times of crisis these same traders may be more willing to help, or at least refrain from violence towards the other ethnicity to protect their business interests. That this is not pure speculation is shown by behaviour of traders during the mass-riots of 2004. Most business relationships did withstand the violence of March 2004 and many people who worked in inter-ethnic business enterprises helped their counterparts and even continued trading with them during these riots. The NGO 'Mercy Corps' had a programme which linked Albanian businesses with business of Serbs, and vice versa. Their evaluation of this programme noted that all of these created business enterprises did survive the riots and many participants of this programme called one another (of the other ethnicity) to check if they were not harmed (CARE, 2006). CARE's research report (2006) does note however that the interdependence created was not strong enough for individuals to take action against the violence and generally remained limited to the intra-community rules on inter-ethnic contact.

Another reason why it is interesting to apply the Kantian Peace to Mitrovica is because Mitrovica seems to be swimming against the regular flow of this theory. Based on liberal arguments trade between countries is often increased with the goal of also improving relations between those states. The governments in Belgrade and Pristina do not have this goal however, as Belgrade is even actively pursuing bad relations. Despite this the population is massively trading across the border, and Serbia remains one of Kosovo's biggest trading partners. So maybe, through this trade and because of other pragmatic factors the situation on the ground is changing despite both governments continued hostility to each other. The Kantian Peace theory and other related theories have generally ignored what is happening at a micro level, and hopefully this thesis can shed a light on this as well.

Last, the topic of illegal trade is especially relevant for Mitrovica because in this city criminals are often in business with radical politicians and vice versa, and sometimes the radical politicians are criminals themselves. Among those are illegal traders who make a profit by dealing with the other ethnic group. Since inter-ethnic contact is forbidden this results in a very profitable monopoly for them – something they prefer not to give up easily. It is in their best interest to keep the situation tense and unstable, and oppose ethnic integration so their monopolised inter-ethnic illegal trade is not harmed. Acting out of individual self-interest they spread radical ideals, keep the enemy-image alive and punish people engaging in inter-ethnic contact.

This part of inter-ethnic trade can seriously harm inter-ethnic relations and integration. This will be discussed in further detail in the context and result chapters, but for now it should be clear that there are important differences between illegal and legal trade and that there is trade that can be positive and or negative for inter-ethnic relations.

CHAPTER 4: CONTEXT

In order for the results of this research to be understood and analysed they need to be put in their context. The most relevant factors for this are the history of Kosovo's inter ethnic conflict, Kosovo's current economical and geopolitical situation and background information of Mitrovica specifically. These will be discussed in the following paragraphs. For describing the context, this chapter will use various literature as its sources, ranging from books and articles to reports and government statistics. The next chapter will also focus on the context in which inter ethnic relations and trade are framed in Kosovo and Mitrovica, but will use the interviews conducted for this research as its sources.

4.1 Recent history of Kosovo's inter-ethnic conflict.

This paragraph will focus on how inter ethnic relations between Albanians and Serbs have developed over the past years. More recent years will be discussed in more details as they are more relevant for the current situation. In order to understand the current relations between Albanians and Serbs in Kosovo, some knowledge is required about how these relations have developed over the past years to reach the point where they are now at.

History is a highly disputed subject in the Balkans so giving an objective overview of Kosovo's history is a challenging, if not impossible task. Albanians and Serbs disagree on most of their shared history and even have complete opposite views of their shared past in some cases. Probably the most illustrating example is the "who was first in Kosovo" discussion. Most Serbs see the battle of Kosovo Polje in 1389 as the moment in time and place where the Serbian nation was born, that Bosnians and Albanians also fought in this battle against the Ottomans is mostly ignored. Orthodox Slavs emigrated to Kosovo centuries before that battle however: during the 6th and 8th century and settled there before Albanians did. Albanians on their turn claim to be descended from the ancient Illyrians who lived in the Balkan region, and therefore also in Kosovo over 2000 years ago. Another example of disagreement on history is the ethnicity of Milos Obilic. He is for many Serbs the great hero of the historic battle of 1389, as he killed the Ottoman Sultan. For Serbs this battle has an enormous historic importance which makes Milos Obilic one of the greatest Serbian heroes. Many Albanians, for whom this battle generally holds little historic significance, do believe however that Milos Obilic was an Albanian (respondent #1, #10, field notes). This discussion flared up recently in July 2009 with the release of a book by an Italian writer who claimed Obilic to be Albanian³ leading to furious reactions in Serbia. These disputes exist not only about history but also about present day happenings, for example which crimes were committed by whom during the ethnic conflict. As a general rule people tend to believe anything that is most beneficial to their own ethnic group and dismiss anything that places them in a less good light, which makes sense. This is why I will keep my history section as factual and "neutral" as possible.

For the largest part of the past 600 years Kosovo has been a part of the Ottoman Empire. During this time there were no serious conflicts between Albanians and Serbs living in Kosovo having an ethnic character. They were poorly integrated, but there was no ethnic conflict in their history together until about a hundred years ago (Malcolm, 2002, xlv). As previously noted Albanians and Serbs fought together at the Battle of Kosovo in 1389 against the Ottomans and there were also Albanians and Serbs fighting on the side of the Ottomans. In the 17th century both Albanians and Serbs rose up together to throw off Ottoman rule, and in the 18th century Albanian and Serbian mountain clans with a long history of intermarriage and cooperation joined together in support of an Austrian invasion (Malcolm, 2002). These examples are to illustrate that Kosovo's tensions and animosity between Albanians and Serbs is not a given, in fact these tensions did not exist for the biggest part of their shared history and therefore may be even a less 'natural' state of relations between the two peoples than cooperation and peaceful coexistence. So, where did it go wrong?

The first cracks in the relations between Albanians and Serbs in Kosovo started to grow over the past two centuries. There were various causes for this. Blame lies with the local Albanian lords of the 18th and early 19th century who - although not ethnically motivated - repressed Christian Slavs for economic gain. In the 19th century the issue between Muslim Albanians and Orthodox Slavs first became politicised. It was in this century that a Serbian ideology created the idea of the battle of Kosovo as a defining event for the Serbian nationality and with this followed the idea that Kosovo is a place for Serbs. Linked to this were the mass expulsions of Albanians out of areas conquered by Serbia and Montenegro in 1877-8 that made Albanians see Serbs as a threat to their existence. The heaviest blow to inter-ethnic relations was probably the Serbian and Montenegrin conquest of Kosovo in 1912 (Malcolm, 2002).

“..above all, it was the policies imposed from above by the Serbian and Montenegrin governments from the first moment of their conquest of Kosovo in 1912 that created systematic hostility and hatred on a scale that the region had never seen before.” -Malcolm, 2002, xlv

Albanians saw the imposition of rule by Serbia and Montenegro as a colonial power, and themselves as a people conquered and colonised by a Christian power. Serbia's programme of moving Serbian 'colonists' to Kosovo matches this view. Serbs however view the conquest of 1912 as a liberation war where their captive population – the Serbs of Kosovo – were liberated from the Turkish imperial rule (Malcolm, 2002). Malcolm (2002) argues that both views are right, which makes the case especially difficult. Serbia had a long history in Kosovo and by this conquest requisitioned Serb-populated areas from the former Ottomans. Albanians, also having a long history in Kosovo saw their rights being decreased. The Serbian policy became that Albanians were immigrants, a view that is to this day very popular among Serbs (field notes).

³ <http://www.balkaninsight.com/en/main/news/20703/>

After this conquest, in 1918, 'the Kingdom of Serbs, Croats and Slovenes' was founded, and in 1929 this kingdom was renamed to 'Yugoslavia'. Since Serbia conquered Kosovo in 1912-13, Kosovo now also became a part of this new Yugoslav state. In many ways the Albanians were treated as Yugoslav citizens, they had the right to vote and were called up for military service (Malcolm, 2002). However, they did not get all the rights of other Yugoslav citizens, most notably regarding their language. This was despite Yugoslavia's signing of the Treaty of the Protection of Minorities in 1919. In 1930 there were no Albanian language schools nor any publications in the Albanian language despite Albanians being one of the largest minorities and most other minorities having their own newspapers (Malcolm, 2002). Besides their language being repressed and the denial of their existence as a national minority, the Kosovo Albanians came under more pressures.

A large scale programme of settling Slav-speakers in Kosovo started and with this came other forms of harassment for Albanians such as the confiscation of their lands to be given away to the 'colonists'. There was an Albanian political reaction on this in the form of the Xhemijet party but it failed to achieve results and was disbanded in 1927 due to various circumstances. Some Albanians had taken up arms against Serbs from the first moment that the Serbs re-imposed their rule, and the Serb response to this was severe: in the first two months of 1919 over 6000 people were killed by Serbian troops in Kosovo according to an Italian source (Malcolm, 2002). Because of this repression of Albanians the Albanian rebellion also grew, which took form in the kaçak movement. The kaçaks attacked Serbian colonists, Serbian troops and Albanians working together with the Yugoslav authorities, but local Serb civilians were initially not targeted. The Yugoslav authorities responded by forming armed bands out of local Serbs, and later generally supplying arms to the Serbs of Kosovo. A side-effect of this was that Serb civilians now also became a target for the kaçaks and chances of peaceful coexistence between Albanians and Serbs in Kosovo were even further reduced. When the Yugoslav authorities started targeting the women and children of suspected kaçaks the rebellion initially grew further before being defeated in 1927. The kaçak rebellion did not achieve much in the end since none of their demands were satisfied such as the right of self-government, a stop of the colonization programme and the opening Albanian schools, among others. They did seriously hinder the colonisation programme though, as many would-be colonists were discouraged from going and the ones that did settle in Kosovo often left again.

These colonists were given a lot of incentives to settle in Kosovo by the Yugoslav government such as a receiving a large parcel of land for free, and having all the costs for transportation including flocks and building materials covered. There were also incentives to leave again though since not only the local Albanians reacted hostile on these new immigrants who took their land, local Serbs were often openly hostile to them as well, because of their dissatisfaction that these immigrants received more land than them. The Serbs of Kosovo were just as foreign for many Serbian immigrants as the local Albanians they encountered (Malcolm, 2002).

“Because of such dissatisfactions, the local Serb peasants were often openly hostile to the colonists: one official in charge of the colonization programme in Kosovo noted in 1928 that they tended to form a 'united front with the Albanians against the settlers'”. -Malcolm, 2002

While Kosovo may not have been a rose garden for Serbian colonists, for the local Albanian population the situation also worsened.

“From 1935 onwards, a wave of confiscations of land from Albanians built up, on the basis of a new rule that all land should be treated as state property unless the farmer had a Yugoslav document to prove his ownership – something that had hardly ever been issued to Albanians. In just one example of this process, the entire Albanian population of twenty-three villages in upper Drenica (6,064 people) was dispossessed in 1938. The official policy was to allow such people only 0.4 hectares per family member. As a Serbian policy document of the previous year noted: 'This is below the minimum for subsistence. But that is and has been our aim: to make their life impossible, and in that way to force them to emigrate.'” -Malcolm, 2002

Several policy measures were taken to force or at least motivate Albanians to emigrate out of Kosovo, apart from not recognising Ottoman land deeds. Police harassment increased severely, and mosques and graveyards were destroyed or transformed into something else such as stables. These policies were partly successful as estimates place the total number of Albanians emigrating out of Kosovo in the period between the two world wars between 90.000 and 150.000 (Malcolm, 2002).

This colonisation programme and other policy measures to adjust the balance between the Albanian and Serbian population in Kosovo ended when the second world war arrived in Kosovo. Yugoslavia unconditionally surrendered to the German forces on the 17th of April 1941 and Kosovo's territory was partitioned between Italy and Germany. Albania was already ruled by Italy and now most of Kosovo's territory was simply added to this. The Germans decided only to keep the northern part of Kosovo – Mitrovica and up – where the valuable Trepça mine was located. Parts of south-eastern Serbia, most of Macedonia and a small eastern strip of Kosovo were annexed by Bulgaria. Kosovo was added to Albania in the hope of its occupiers that this would keep the Albanians quiet. All inhabitants of Italian-occupied Kosovo, including Slavs, became Albanian citizens by 1942. Also, the Italians invested in introducing education in the Albanian language, opening many new schools. This strategy seemed to work, because both resistance movements that existed in Yugoslavia, the Četniks and the communists, were particularly weak in Kosovo. The biggest reason for this was however that they were seen by most Albanians as almost exclusively Slav-based organisations. There was not really a clear stand on the occupying powers, sometimes there would be collaboration, sometimes opposition. Relations between Albanians and Serbs played a large role in this:

“One thing remains clear: the dominant factor was the Albanian-Serb national question, not political philosophy or feeling for or against the occupying powers.” -Malcolm, 2002

Within days of the fall of Yugoslavia, Albanians had started to drive the Serbian and Montenegrin colonists out. The Albanian aggression may have been a retaliation against actions of the Yugoslav army and its attacks on Albanian villages, but generally the objective was simply to drive the colonists out and take the confiscated land back. This was a violent and bloody affair and although both groups were attacking each other and there was suffering on both sides, it was clear that the Serbs and Montenegrins were the principal victims (Malcolm, 2002). During this time a lot of Serbs and Montenegrins were driven out of Kosovo, and never came back. The exact number vary, a report by a German official gives the number of 40.000, which seems plausible.

Apart from this expulsion of Serbian and Montenegrin colonists the population demography did not change much. A few thousand Albanians probably emigrated from Albania to Kosovo during the second world war, far less than the hundred thousands proclaimed by Serbian nationalists. The figures of total war dead during this period represent a very low proportion of the population compared with the rest of Yugoslavia, as estimates vary between 10.000 and 25.000 dead. This is why Kosovo's total population was able to increase slightly during the second world war, as opposed to most other Balkan states where it decreased (Malcolm, 2002).

With the second world war over Yugoslavia was united under Josip Broz Tito and the communist party and with this a period of relative stability started for Kosovo and the entire Yugoslavia. This is also when Kosovo's current politico-geographical borders were created, in 1945. Before that it never had clearly defined borders as a specific region. It consisted of various Ottoman administrative units before and from 1868 and 1877 onwards consisted of two vilayets (of Kosovo and Prizren) but those had very different shapes on the map compared to modern day Kosovo (Malcolm, 2002). The communist party of Yugoslavia – which was even in Kosovo a majority Slav organisation – decided in 1945 that Kosovo would be an autonomous region within the territory of the Yugoslav republic of Serbia. There is some discussion among Serbs and Albanians nowadays whether Kosovo – under these rules – would legally first belong to Serbia or to Yugoslavia. But these details do not matter much Malcolm (2002) argues, because right after the second world war Yugoslavia was practically a dictatorship and therefore decisions made back then hold questionable legality to begin with.

In these early years of Yugoslavia there was quite some resistance to the Communists by Albanians in Kosovo. The Communist reaction to this was imposing martial law and suppressing this resistance. The Communists grew alarmed by the Albanian resistance and as a direct result Tito decided to ban Serbian colonists from returning to their farms in Kosovo. Two weeks later he had already changed his mind, and

sent all colonists back to Kosovo. This causes such alarm in the Albanian population that eventually a compromise was reached in which colonists could only return under certain conditions. While the Albanian demands were only partly met here, their demands regarding the free use of their language in education and official life were met. The Serbianization of Albanian names, a policy of the inter-war period, was halted. Many Albanian language schools were opened and Albanian was given equal status in official and legal matters with Serbo-Croat. In practise not so much changed as on paper because most key officials and judges were still Slavs.

The first 20 years after the war were not the easiest for Albanians, because of the Slav dominance in almost all state positions. In 1953 Serbs and Montenegrins accounted for 50% of the party membership and 68% of 'administrative and leading' positions, while making up only 27% of the population. Also, because of the break between Albania and Yugoslavia in 1948 Albanians in Kosovo were quickly suspected of being spies for Albania and severely pressured by the secret police. This police force consisted for 86% of Serbs and Montenegrins in 1956 in Kosovo, which is another example of the still dominant position of Slavs in Kosovo. On top of this Yugoslavia invested less in Kosovo than in other regions, despite it being the region with the fastest growing population. To make matters worse for the Albanians, the new Yugoslav constitution of 1963 reduced Kosovo's autonomy. It is very likely that this imbalance of power between Albanians and Serbs further widened the gap between them.

In 1966 things started changing again, now in favour of the Albanians. Tito's policy changed and Kosovo was given a much larger autonomy in 1968, and given the power to exercise almost all the powers of a republic. Kosovo Albanians were even allowed to fly their Albanian flag again, which alarmed Serbs who feared this would increase the growth of separatism. Indeed, with their larger autonomy achieved the Kosovo Albanians had a new goal: Kosovo as a republic within Yugoslavia.

While in the 1960's the rights of Albanians in Kosovo increased on paper, in the 1970's the balance between Albanians and Serbs in Kosovo on the ground really started changing. The university of Pristina played a role in this. In 1969 a handful of educational faculties in Pristina were transformed into a full university – the university of Pristina – which gave way to a much larger proportion of the Albanians being highly educated. This probably had a large influence on Albanians getting into more important positions in the following years. At the beginning of the 80's about 2/3s of the Kosovo league of communists were Albanian, and the police and security forces consisted of Albanians for 75%. Serbs and Montenegrins while being only 21 percent of the population, still held more than half of the managerial positions but in many ways, Albanians were correcting the imbalance between them and Slavic population. This empowerment of Albanians started to worry local Serbs who would complain about discrimination by Albanians now they were in power in the majority of local organisations. Malcolm (2002) argues that there may have been some cases of discrimination but these were incidents compared to the systematic way in which Albanians were

discriminated against in the 1950s and 1960s.

In these turbulent 1970's the Yugoslav constitution changed for the last time - in 1974 specifically - as it would keep this new form till the breakup of Yugoslavia. Again the rights of the autonomous provinces were increased:

“So, although the 1974 constitution continued to assert that Kosovo and Vojvodina were parts of Serbia, by most criteria of constitutional law they were at the same time fully-fledged federal bodies.” - Malcolm, 2002

Meanwhile, emigration was happening in the entire Yugoslavia from the poorest to the richer regions. In Kosovo, mostly Serbs were emigrating. It is estimated that about 80.000-100.000 Serbs left Kosovo between 1961-1981 and about 45.000 Albanians emigrated from Kosovo between 1971-1981. For both groups their reasons for emigrating were mainly economic. This was the same scenario as in Bosnia-Herzegovina which suffered from an even higher proportional emigration. The main reasons for emigrating may have been economic, but the Serbian interpretation of this immigration of Slav's out of Kosovo was different: it was their belief that Serbs were being threatened by Albanians to leave Kosovo. It was in the 1970s and 1980s that an atmosphere developed where “normal” wrongdoings which happen in any society started to be interpreted in ethnic terms, as political acts part of an objective to drive the Slav population out. Cases of wrongdoings by Albanians to Serbs received a lot of attention in the media, despite the fact that in reality Serbs who emigrated rarely gave pressures by Albanians as a reason for emigrating. This shows there was a large discrepancy between the views most Serbs had about what was going on in Kosovo and what was actually happening.

“Official reports on the reasons given for emigration from Kosovo by the 14,921 Serbs who left in the period 1983-7 present a very different picture. In 95 per cent of all cases the emigrants cited either economic or family reasons; in only eleven individual cases (less than 0.1 per cent) were pressures from Albanians given as the main cause of emigration.” -Malcolm, 2002

Related to this process of emigration a change in the demography of Kosovo was happening. While the ratio between Albanians and Serbs had remained constant between 1948 and 1961 – at 68% Albanians and 28% Serbs and Montenegrins – this started to change. By 1991 these figures had changed to 81% Albanians and only 11% Serbs. The biggest reasons for this was not the emigration however, but Serbian dwindling birth-rates. Many Albanians still lived a very traditional, rural life in the 1970s and 1980s. Traditionally Albanians have very large families, and nowadays Albanians in Kosovo still have the highest birth-rate of entire Europe⁴. During the past hundreds of years this was a strategy of dealing with the harsh agricultural life.

⁴ Countrystudies, Albanians in Kosovo. Visited on 05-10-2009.
<http://countrystudies.us/albania/50.htm>

Conditions have improved and the death toll reduced, but the traditions changed slower. In the 1950's the Serbian birth rate was almost the same as that of the Albanian population (41 per 1000 vs. 46 per 1000). But Serbs urbanised faster than Albanians and people living in cities generally have a lot less children than people living in rural areas. Also, Serbia had the highest abortion rate of entire Europe, 10 times as high as Kosovo's abortion rate, which shows that some differences in culture had started to exist regarding attitude to abortion between Albanians and Serbs which started to reflect in the demography. In short, in the 1950's the birth-rate of both Albanians and Serbs was among the highest of Europe, but the Serbian birth-rate has become very low due to urbanisation and higher abortion rates while the Albanian birth-rate has stayed almost the same. This led to a proportional increase of Albanians in Kosovo (Malcolm, 2002).

All these previously described factors would mount up to a turbulent 1980s in Kosovo. The changing demography, the shift of more and more important positions to Albanians, the expansion of higher education among Albanians, the feeling of Serbs that they were being pushed out of Kosovo would all come together after Yugoslavia's president Tito's death in early 1980. March 1981 can be seen as a starting point of this, as it saw a chain of Albanian protests. Most of these protests started out of general frustration over living conditions but quickly became more political, even separatist. The authorities were alarmed and responded harshly, resulting in at least 9 people dead and over 4000 arrested and sentenced. The authorities of both Kosovo and Serbia blamed the events on 'counter-revolutionaries'. Tihomir Vlaškalić, a member of the Serbian Central Committee pointed to the long-term mismanagement of Kosovo's economy as the root cause of the problem. Sadly, he was ignored, despite all evidence being in favour of his argument. Kosovo had become 5 times as poor as Slovenia, and the unemployment level in Kosovo was the highest in the entire country. In this environment where jobs were scarce the still enduring ethnic-imbalance in jobs in favour of Serbs and Montenegrins may have been extra frustrating for Albanians (Malcolm, 2002). Even though these protests were bad enough to begin with, Malcolm (2002) argues that an even more damaging process was starting to take place in inter-ethnic relations:

“But the most damaging effect of the political reaction in 1981 was the way in which it unleashed a new round of accusations and counter accusations about Albanian and Serbian nationalism. The question of the 'flight' of Serbs and Montenegrins from Kosovo was raised publicly;..” “What might be called the culture war was now in full swing”

Both the Serbian media and intellectuals got caught up in this and both were keen on presenting Kosovo Serbs as victims of Albanian aggression. One popular theme of the Serbian media was, for example, the mass scale rape of Serbian women by Albanian men. However, an independent team of Serbian lawyers and human rights experts found in 1990 that the occurrence of rape or attempted rape in the 1980s was much lower in Kosovo than in Central Serbia - in fact the lowest of entire Yugoslavia - and that in the great majority of cases the assailant and victim were of the same ethnicity (Oberschall, 2000). These facts did not

halt the campaign of complaints among the Kosovo Serb community though. In 1985 fragments started to appear of a document drawn up by members of the Serbian Academy of Sciences, which was called the Memorandum and perhaps even went further than previous nationalists texts (Malcolm, 2002).

“Since 1981, it claimed, the Albanians in Kosovo had made 'war' against the Serbs. What it called the 'physical, political, juridical and cultural genocide' of the Serb population there...” -Malcolm, 2002

While most members of the communist party still refrained from nationalism, Slobodan Milošević used it to further his career with the support of Radio Television Belgrade and Kosovo hard-line activists who organised protests for him. By the end of 1987 Milošević was able to dismiss the Serbian party president from power and take his position. By organising mass rallies mainly based on the issue of Kosovo he was able to force the local party leadership in both Vojvodina and Montenegro out of power, and installing his own supporters there. Kosovo was next. Large scale protests of Albanians did not help, and many of them were arrested. On the 23th of March 1989 the provincial assembly of Kosovo was surrounded by tanks and armoured cars and under these condition the constitutional amendments were passed reducing Kosovo's autonomy to not much more than a symbolic power. This resulted into more large-scale protests which were also violently repressed leaving many more dead and arrested, including many members of the Albanian Elite (Malcolm, 2002).

In March 1990 the Serbian assembly introduced new measures under the name of 'Programme for the Realization of Peace and Prosperity in Kosovo' for improving the position of Serbs in Kosovo. These measures included: building new houses for Serbs who returned to Kosovo, encouraging Albanians to emigrate to other parts of Yugoslavia, concentrating investment in Serb-majority areas, annulling sales of property to Albanians by departing Serbs, etc. More measures followed later, including a law which made the expulsion of 80.000 Albanians from their jobs possible, sacking 6.000 school teachers and dismissing Albanian doctors from hospitals. Arbitrary arrest and police violence also became common, committing a 'verbal crime' like insulting the 'patriotic feelings' of Serbs could be punished by 2 months in jail (Malcolm, 2002).

In many ways the situation started to look like the 1920s and 1930s, again Belgrade was pressuring Albanians to leave Kosovo and trying to get Serbs in. *“In this way as in so many others, the Serb policies (and rhetoric) of the 1990s were uncannily reminiscent of those carried out, or at least proposed by extremists such as Čubrilović, in the 1920s and 1930s. The same overall strategy of persuading Albanians to leave by rendering their conditions of life intolerable was in operation; so too was the policy of 'Serbianizing' the region by imposing the Serbian language...” -Malcolm, 2002.* Also, the colonization programme was reintroduced, giving the rights to 5 hectares of land to Serbs or Montenegrins who would return to Kosovo.

Albanians reacted to these new policies in several ways. First, as we've seen, there were mass protests but these did not lead to anything. A political reaction soon followed: they formed a parallel state. *"...on 2 July [1990] 114 out of the 123 Albanian members of the assembly did meet, gathering in the street outside the locked-up assembly building, and passed a resolution declaring Kosovo 'an equal and independent entity within the framework of the Yugoslav federation'"* -Malcolm, 2002

When Slovenia and Croatia declared their independence of Yugoslavia this aim for a republic was dropped and changed into an aim for an independent state. This shadow state was well organised, and managed to receive voluntary taxes from most Albanians and even held elections in private houses creating a new republican assembly and government. Dr. Ibrahim Rugova from the 'Democratic League of Kosovo' became the president of this movement and its policies were threefold: to prevent violent revolt, to seek international political involvement and to systematically deny the legitimacy of Serbian rule (Malcolm, 2002).

Meanwhile a war was raging in Bosnia, with heavy involvement from Serbia. This war affected Kosovo in several ways. Milošević economic mismanagement - including printing money to pay his troops - led to an extreme inflation. The international economic boycott against Serbia and Montenegro made the economic situation even worse. As a result of this, a criminalisation of the economy took place, with trade in foreign goods and hard money taken over by Mafia-style gangs (Malcolm, 2002).

When the war in Bosnia-Herzegovina ended, no solution was found for Kosovo yet, despite Rugova's international efforts. This was severely damaging to Rugova's reputation because he promised his people for years they had to be patient until the international community would impose a final settlement on the former Yugoslavia. One year after Dayton the first Albanian attacks on Serbs begun.

"For many years the Serb media had referred to Albanian 'terrorism', usually meaning students throwing stones; now, for the first time since the Serb clampdown of 1989-90, there were signs of genuine terrorist activities. Several attacks took place from the summer of 1996 onwards, including the shooting of two policemen in Mitrovica, a bomb blast in Podujevo and an attack on the Serb Rector of Prishtina University" -Malcolm, 2002

At first, no one claimed responsibility but a year after the first attacks an organisation that called itself the 'Kosovo Liberation Army' (KLA) claimed to have been behind some of the recent attacks on Serbian policemen. The KLA was at first a very small organisation formed by Kosovo Albanian radicals⁵ but as the conflict developed it expanded and also gained more popular support (field notes).

⁵ International Crisis Group. Conflict History: Kosovo. visited on 05-08-2009.
http://www.crisisgroup.org/home/index.cfm?action=conflict_search&l=1&t=1&c_country=58

During 1998 the KLA continued its attacks in rural areas and Serbian security forces retaliated strongly, leaving 300.000 Albanians homeless before a ceasefire was agreed to in October. In February 1999 fighting resumed and the 'Contact Group' (consisting of the U.S., UK, Germany, France, Italy and Russia) summoned both sides to talks in Rambouillet, France. Here an 'Interim Agreement for Peace and Self-Government in Kosovo' was proposed but this was unacceptable to Serbia because it opened the possibility for Kosovo independence. Fighting resumed and was eventually stopped by an 78 days bombing campaign by NATO, unauthorised by the United Nations Security Council (UNSC). The international community quickly took over in Kosovo.

“In June the UNSC passed Resolution 1244, mandating KFOR's presence and an UN interim administration (UNMIK) to establish and oversee Kosovo provisional democratic institutions of self-government with a framework of Yugoslav sovereignty, pending a final settlement which was to take full account of the Rambouillet accords”. In 2001 “UNMIK promulgated a Constitutional Framework, enabling parliamentary elections, appointment of a president and provisional government (PISG). It demarcated the spheres of UNMIK's fundamental “reserved” powers from those that could be transferred to the PISG”.

-ICG, Conflict History: Kosovo

In short, the United Nations Mission in Kosovo took over control of the state right after the conflict ended, with NATO's Kosovo Force (KFOR) as a peacekeeping force on the ground. Since then the UN has been transferring authority to the newly build democratic institutions of Kosovo. One of the most influential UNMIK policies since 2002 was the “standards before status” policy, which basically said that before the Kosovo status would be decided Kosovo needed to have certain standards which were operationalised by defining a variety of the to be achieved benchmarks⁶. Transferring power from the UN to the local institutions, and negotiations about Kosovo's final status would continue until the 17th of February 2008, when Kosovo declared its independence of Serbia.

The international community present in Kosovo since the end of the conflict in 1999 was not able to prevent further violence though, which was now mainly aimed at the Serbian population. During every phase of the conflict in Kosovo, including the years before the violent conflict of 1998-1999 and the years after it, all ethnic groups in Kosovo suffered. It seems that before and during the violent conflict the Serbs played a bigger role in perpetrating inter-ethnic violence than Albanians, and after the war these roles switched. Before the conflict under the rule of Milošević Albanians were oppressed, and during the conflict Kosovo was ethnically cleansed of them (Malcolm, 2002). The tactics used by Serbs for this were almost always the

⁶ International Crisis Group. Conflict History: Kosovo
http://www.crisisgroup.org/home/index.cfm?action=conflict_search&l=1&t=1&c_country=58 visited on 05-08-2009

same: First an Albanian village which was believed to have ties with the KLA was shelled, then the people who didn't flee were killed, tortured and/or raped, and most of the houses looted and burned (CARE, 2006). The political objective was to get Albanians out of Kosovo and make sure they would not return (Malcolm, 2002). The individual motivator for Serbian individuals was mainly the opportunity for looting (CARE, 2006). These activities, in combination with the NATO bombings caused over 700.000 Albanians to flee or be forced out of Kosovo by 20 April 1999, and 850.000 Albanians to be internally displaced within Kosovo (Malcolm, 2002). When the violent conflict ended and Milošević withdrew his troops from Kosovo on June 10, 1999, Albanians spontaneously started returning home. At the end of July 1999, 740.000 Albanians had returned. Over the course of that summer 150.000 K-Serbs and their alleged Roma collaborators fled to Serbia Proper, Northern Kosovo or mono-ethnic enclaves fearing, or experiencing, violence from K-Albanians (CARE, 2006).

OSCE: "Violence has taken many forms: Killings, rape, beatings, torture, house-burning and abductions. Not all violence has been physical, however, fear and terror tactics have been used as weapons of revenge. Sustained aggression, even without physical injury, exerts extreme pressure, leaving people not only unable to move outside their home, but unable to live peacefully within their home. In many instances, fear has generated silence, in turn allowing the climate of impunity to go unchecked." (CARE, 2006)

Between June and December 1999 there were 454 Murders, 190 kidnappings and 1327 incidents of intentional burning of property. During January 2000 – June 2000 these numbers had decreased to 1/3th of this (CARE, 2006). This trend continued in 2001: there was increased security and mobility for minorities but still harassment and intimidation. The violence decreased because of various reasons. First, the violence was probably emotional and out of revenge, these motives faded away over time (field notes). Also, since Serbs were fleeing to mono-ethnic areas this made them less likely to be attacked. Last, because of the "standards before status" policy it was in the best interest of Albanians to respect minorities and this could have motivated them to shy away from violence. This last factor was the most important one according to some Albanians I spoke with while in Kosovo.

Another event which seriously damaged inter-ethnic relations were the riots of 2004. On March the 17th - 18th, 2004, thousands of Albanians - mostly high school students - went out on the streets to protest against the drowning of three Albanian children in Mitrovica for which Serbs were blamed. This resulted mainly in the destruction of property: many Serbian houses, graveyards, monuments and churches were attacked. The riots led to exchanges of gunfire in Mitrovica, and some other areas, leaving nearly 700 wounded and 19 dead (International Crisis Group, 2004).

After the riots of 2004 the situation in Kosovo has been much more stable with little incidents of inter-ethnic

violence except for in Mitrovica. The time was deemed right by the IC to start the discussions on Kosovo's status, and therefore the former Finnish president Martti Ahtisaari was appointed in October 2005 by the UN Secretary General to lead the process of settling Kosovo's status. In the following years several direct talks between representatives of Serbia and Kosovo would take place, but an agreement was not reached. In February 2007 Ahtisaari presented his "Comprehensive Proposal for the Kosovo Status Settlement" which was followed by more negotiations during the year, not leading to any agreement. The Contact Group neither could reach an agreement but the EU leaders agreed on a 1,800 strong EU security and rule of law mission to be deployed after Kosovo's independence.⁷ Kosovo accepted the Ahtisaari plan (although not happily) and the placement of the EU mission, called EULEX, and declared Kosovo independent from Serbia on the 17th of February 2008. So far 62 UN countries have recognised the independence including 22 of the EU member states⁸. The declaration of independence was immediately refused and declared illegal by Serbia, which was furious. Resulting in some Serb-organized violence the first month after the declaration (International Crisis Group, 2008). Although the independence is still disputed now, de facto the Kosovo government has control of all of its territories except the northern, mainly Serb populated, part of Kosovo. Because no compromise was reached between Belgrade and Pristina however, the status issue remains a factor of conflict between Kosovo Albanians and Serbs and destroyed a lot of trust (field notes).

Apart from the first month, it has been surprisingly quiet in Kosovo since the declaration of independence. There have been some incidents in Mitrovica⁹ and south of the Ibar many Serbs claim to live in fear of Albanians¹⁰, so not all is well. Relations between Albanians and Serbs are still tense, and as long as these do not improve the fear will remain that they might escalate again when the situation worsens.

4.2. Current economical and geopolitical situation.

In this paragraph Kosovo's more statistical traits, such as its geography, population, economy and some political factors will be covered. These traits are discussed in order to shape a more complete image of the environment in which people live in Kosovo and in which inter-ethnic contact and trade takes place.

First a note on statistics: according to UN reports there are still many shortcomings regarding official statistics on Kosovo which makes it difficult to make accurate assessments. The main Kosovo institution for statistics, the Statistical Office of Kosovo (SOK) is has a lack of resources is not independent (UN, 2008).

⁷ International Crisis Group. Conflict History: Kosovo. Visited on 05-08-2009
http://www.crisisgroup.org/home/index.cfm?action=conflict_search&l=1&t=1&c_country=58 visited on 05-08-2009

⁸ Who Recognized Kosova? Visited on 05-08-09 <http://www.kosovothanksyou.com/>

⁹ NRC Handelsblad: Explosies en branden in Kosovaarse stad Mitrovica. 03-01-2009. Visited on 05-08-2009.
http://www.nrc.nl/buitenland/article2110714.ece/Explosies_en_branden_in_Kosovaarse_stad_Mitrovica

¹⁰ BBC News: Isolation fears grips Kosovo Serbs. 29-07-2009. Visited on 05-08-2009.
<http://news.bbc.co.uk/2/hi/europe/8172537.stm>

Data from the SOK is sometimes used in this thesis by lack of an alternative option.

4.2.1. Geography



Figure 1: Kosovo and Environs (ICG, 2007)



Figure 2: Map of Kosovo and its Serb Communities (ICG, 2009)

Kosovo consists of the relatively small total land area of 10,908 square kilometres located in the middle of the Balkan peninsula. Kosovo is landlocked and surrounded by mountains on all sides except on the eastern part. In central Kosovo the terrain is much lower and flat (plains). Kosovo shares a total of 700.7 km of borders with its neighbouring countries: Albania (111.8 km), Macedonia (158 km), Montenegro (78.6 km) and Serbia (351.6 km) (SOK, 2008). Of Kosovo's total area 42% is urban and 58% is rural (SOK, 2008).

4.2.2. Population

Kosovo's total population is 2.2 million people which amounts to a population density of 197 p/km² making Kosovo one of the most densely populated areas of the Balkans (SOK, 2009). Of these 2.2 million people in Kosovo 90% are Albanian and 5% Serbian. Other ethnic groups in Kosovo are Muslim Slavs such as Bosniaks and Gorans (2%), Roma (2%) and Turks (1%) (ECIKS, 2009). Kosovo has a very large Diaspora with over 500.000 Kosovars living abroad¹¹, the local population in Kosovo depends on them for their remittances as these form 45 percent of Kosovo's annual domestic revenues¹².

¹¹ ECIKS: Economic initiative for Kosovo. Visited on 05-08-2009.

http://www.eciks.org/english/publications/investing_in_kosovo/content/media/factsheet_web.pdf

¹² The Worldbank. "Kosovo's Albanian Diaspora: Blessing or Curse on the Economy?" by Barbara Balaj. Visited on 08-10-2009. <http://www.worldbank.org/html/prddr/trans/nd00jan01/pgs15-16.htm>

Pristina is Kosovo's capital, where an estimated 500.000 people live¹³. This is a rough guess because since the armed conflict ended in 1999 the Albanian population has been urbanising rapidly, resulting into 300.000-500.000 Albanians moving to Pristina the past 10 years (field notes & OSCE, 2009). Official languages are Albanian and Serbian, Turkish is an official language of the Prizren area. English is, mainly in Pristina, almost an official language due to the high level of internationals and international organisations present there (ECIKS, 2008). On more than one occasion I was surprised by Albanian high school kids speaking fluent English, and many Kosovars speak German or other European languages (field notes).

The population of Kosovo is often called the youngest in Europe, with 70% of the population younger than 35 years this makes sense. 33% of the population is below 15 years of age, and 61% between 15 and 66 years of age. This leaves only 6% of the population of an age higher than 65 years (SOK, 2009). Of these many young people 465.000 are in school (SOK, 2008) and of these 30.000 study at the two state universities, while 10.000 study at private universities (ECIKS, 2008). There does remain a lack of adequate education facilities, and poor-quality teaching remains a problem as well (UN, 2008).

4.2.3. Politics

A coalition government of the PDK (Democratic Party of Kosovo) and the LDK (Democratic League of Kosovo) was formed under Prime Minister Hashim Thaçi on the 9th of January 2008 (UN, 2008). In some Serb-majority areas, especially north of the river Ibar the Kosovar government only has a limited authority over matters such as the police, the courts, customs, boundaries, transport and Serbian patrimony. In these areas parallel administrative structures have developed and continue to operate on a local level (UN, 2008).

4.2.4. The International Community

Politics and government policy in Kosovo are heavily influenced by foreign actors. Locals often joke that Kosovo's government makes its policy by walking up and down the hill, referring to the United States embassy which is located on a hill in Pristina (field notes). There are many international organisations present in Kosovo, and often these are referred to as "The International Community" (the IC). This is not very clearly defined but when people talk about the IC they mainly refer to foreign representatives, IGO's and to a lesser extent NGO's who have a presence in Kosovo and try to influence its development and society. The main organisations representing the IC would be UNMIK (the United Nations Mission in Kosovo), KFOR (Kosovo Force – NATO's peacekeeping force), EULEX (European Rule of Law Mission in Kosovo) and the OSCE (Organisation for Security and Cooperation Europe).

Since the end of the conflict of 1999 the UN has invested an estimated 33 billion Euros in Kosovo¹⁴. This is

¹³ OSCE, municipal profile of Pristina, September 2009. Visited on 20-05-2009.
http://www.osce.org/documents/mik/2008/04/1199_en.pdf

¹⁴ Global Research. visited on 16-05-2009. <http://www.globalresearch.ca/index.php?context=va&aid=8790>,

the highest aid per capita ever given to a country. There are results of this, but for many people these are disappointing. The infrastructure has not completely recovered yet, and while most roads are reconstructed water and electricity supplies remain a problem. Daily water and power cuts are no exception, with their length and occurrence depending on both the area and season. For example, in my experience Mitrovica was more prone to water shortages but less to power cuts compared to Pristina and in the summer a general lack of water happened more often (field notes). Especially the unreliability of energy is a major drag on investment in and growth of the economy (UN, 2008).

For most locals though, the economy itself is the most important issue and they expected more progress in rebuilding this. People from both communities (Albanians and Serbs) consider the economy one of the biggest problems they face (CARE, 2006), and the lack of progress in rebuilding the economy may be one of the biggest reasons for the growing resentment among Albanians against the IC presence.

4.2.5. The Economy

Kosovo's currency is the Euro, which was officially adopted on the first of January 2002 as the local currency, the same day Euro coins and banknotes went into circulation in the rest of Europe. Nor the people, nor the government of Kosovo really had any choice in this: they had been using Deutsch marks since before the war instead of Serbian Dinars as their main currency and so by 2002 had to adopt the EURO (field notes). The Serbian dinar is still used in Serbian-majority areas of Kosovo such as Mitrovica north. This illustrates the division of Mitrovica very well: Mitrovica south the Euro is the official currency while in Mitrovica north this is the Serbian dinar.

In 2008 Kosovo's Gross Domestic Product (GDP) was 3.804 billion Euro and it's GDP growth rate 5.4%, this growth is attributed for a large part to the private sector. Kosovo's interest rate has been stable around 1 or 2 percent the past 6 years, but this year for the first time increased strongly: to 7.2% (ECIKS, 2009). Kosovo is still an import based economy, with its import being over 10 times as high as its export. Kosovo imported for over 1.6 billion Euro over 2007, while its exports were 146.6 million the same year. Both import and export has been increasing steadily the past years though, with most trade taking place with CEFTA-members and EU-countries. Its main imports are mineral products, prepared foodstuffs and machinery while its main exports are base metals by far, followed by minerals (ECIKS, 2008).

Not only the imports and exports are growing every year, also the GDP has been growing steadily every year. What has stayed the same the past 5 years though is the unemployment rate, which is still around 40% (ECIKS, 2008). It must be considered that there's a substantial black and grey economy in Kosovo so these numbers are not entirely representative. Every year around 30,000 young people enter the labour market (UN, 2008), this rapid growth of the population might be one of the explanations for why the economy is improving but unemployment rates remain equal. The people who do have a job earned on average 236

Euro's a month with this in 2006. This is lower than Serbia, where the average monthly wage was 334 Euro's. So, although the yearly grow rates seem optimistic Kosovo is still a very poor country with a huge unemployment rate and even bigger trade deficit. Many Albanians believed that after the independence everything would get better, and for many the lack of progress since the declaration has been an unexpected disappointment. It remains to be seen how this will develop in the near future.

4.2.6. Trade, Taxes and Laws

Under pressure of the IC and hoping to improve the economy Kosovo is currently establishing the foundations of a modern market-led economy. The IMF calculated the real economic growth to be over 3.5 percent in 2007, slightly higher than the 3.1 percent growth of 2006. The small and medium enterprise (SME) sector, appears to be of great influence in this rise¹⁵. A small enterprise is defined by the EU as having less than 50 employees and a medium one as having less than 250 employees. In 2008 there were 87,960 SME in Kosovo, of which 3.400 in Mitrovica. It is unclear how many of these are still active. Kosovo has a liberal trade policy and is making efforts to develop into a market based economy. It enjoys free trade with other central European states through the Central European Free Trade Agreement (CEFTA) and based on the EU Autonomous Trade Preference (ATP) Regime it has a customs-free access to the EU market - although some restrictions remain – and a Free Trade Agreement with the United States (ECIKS, 2008).

Kosovo's tax system has a VAT of 16%, a Corporate Profit TAX of 10% and a progressive Wage Tax with a maximum of 10%. Its Tariff duties are as follows: there are no duties and taxes on exports, and there is a 10% duty on imports, with taxes exercised on fuel, tobacco, alcohol and luxury goods (ECIKS, 2008). Of all tax revenue almost 75% is collected at the border (UN, 2008). In February 2008, after the declaration of independence by Kosovo the two border posts in northern Kosovo were destroyed and since then smuggling activities have increased there, leading to substantial losses in revenue for both Kosovo and Serbia (UN, 2008). Discussion about these border posts flared up recently again as Serbs protested against new regulations, saying that they refuse to pay taxes to the Kosovar government¹⁶.

The UNMIK – Kosovo Trade Regime overview explicitly states that “*Trade with Serbia and Montenegro is not subject to any customs duties*” (UNMIK, 2004). This lack of customs duties (although not for all products) plus the proximity, the overlapping ethnic groups – Albanians living in Serbia and Serbs living in Kosovo - and the large shared border may all be explanations why Serbia is still one of Kosovo's largest trading partners despite their political conflict. Other important trading partners are Albania and Macedonia (where 1/3 of the population is Albanian), and Italy.

¹⁵ European Commission. Visited on 07-08-2009
http://ec.europa.eu/enterprise/enterprise_policy/sme_definition/index_en.htm.

¹⁶ SETimes. `Kosovo Serbs protest new customs regulation` 10/06/2009. Visited on 07-08-2009
http://www.setimes.com/cocoon/setimes/xhtml/en_GB/features/setimes/features/2009/06/10/feature-02

Country	% of Export	% of Import
Albania	10,6	3,1
Serbia	10,1	18
Macedonia	5	10,8
Greece	5,5	4,2
Italy	12,8	3,9
Total	100	100

Table 1. Largest Trading partners of Kosovo in 2008. From SOK, External Trade, 2008.

In June 2008 there were approximately 86,000 registered businesses in Kosovo, a large share of these are not active however (UN, 2008). In the first half of 2009 4006 new enterprises were opened in Kosovo, with 1527 (38,1%) of these being trade enterprises these proved to be the most popular followed by hotels and restaurants with 461 (11,5%) newly opened (SOK, 2009).

4.3. Mitrovica

“Mitrovica is wedged into a corner of north Kosovo, bounded by the Shala hills extending northward from its east flank, and the Ibar River, which flows into the city from the west and turns north into a narrow valley leading to what was the heart of the medieval Serbian kingdom. South of Mitrovica, the Sitnica River's valley widens out into central Kosovo, making the city the natural gateway between Kosovo and Serbia. The remains of the fortress of Zvečan, which guarded Mitrovica's mines during Byzantine rule, perch on a high promontory just north of the town centre....When not divided, the city has served as a natural regional crossroads: with Montenegro to the west, Sandzak to the north west, and Belgrade to the north.” (ICG, 2005).

This thesis focuses on Mitrovica because this city plays an important part in Kosovo's current social political landscape and inter-ethnic relations. The bridge on the river Ibar right in Mitrovica marks the spot where Albanian majority lands end and Serbian majority areas begin, and with this the political authority of Pristina ends as well as Belgrade's begins. Events that happen in Mitrovica are known to have an effect all over Kosovo, the most notable example of this would be the drowning of Albanian kids in the Ibar which sparked the mass riots of 2004. What happens in Mitrovica's two square kilometres causes ripples all over Kosovo's near 11.000 square kilometres, according to the ICG (ICG, 2005). This is why Mitrovica is an important factor in Kosovo's stability, or lack thereof. Some people believe that Mitrovica is too extreme for any reconciliation or improvement of relations to happen, others believe it is Kosovo's only hope of stabilising: *“These measures presuppose existence of the will to tackle the issue of Mitrovica. Without such will, the international community will put at risk all its efforts to build stability in Kosovo.”* (ICG, 2002). If the situation in Mitrovica would be improved, the ICG believes it may even become an example of multi-ethnicity and have a positive impact on inter-ethnic relations throughout entire Kosovo, as well as being a service centre for Kosovo's entire Serbian population (ICG, 2005).



Figure 3: Map of Mitrovica (ICG, 2005)

4.3.1. Background

It is over 800 years ago that Serbs first assumed control over the Mitrovica area, as the medieval Serbian state spread out into this area which is now known as Mitrovica during the last decades of the 12th century. About 250 years later the Serbian state lost control over the region to the Ottoman empire under which Mitrovica became a garrison town defending an important silver trade route (ICG, 2005). Regarding inter-ethnic relations between Albanians and Serbs in Kosovo's history, much has already been discussed in paragraph 2.1. Therefore I will skip to Mitrovica's most recent decades because those have been the most influential in creating the Mitrovica we know today, especially when it comes to inter-ethnic relations, as was discussed in the history section of this thesis.

In 1947 Mitrovica was declared a city and it became the seat of one of Kosovo's five regions 7 years later,

which were in turn disbanded in favour of larger municipalities in 1959-1960. The municipality of Zvecan was created and detached from the municipality of Mitrovica in 1991. The detachment of several areas of Mitrovica created Serb-dominated municipalities surrounding Mitrovica but made the imbalance between Albanians and Serbs in Mitrovica itself bigger. According to the 1991 census Mitrovica was 78,9 % Albanian and 10,2 % Serbian. In the late 1990's this contrast became larger with only the two square kilometres of the north being in an ethnic-balance as around 10.000 Albanians and 10.000 Serbs were living there (ICG, 2005). During the NATO bombing campaign most of the Albanians living in Mitrovica North were expelled by Serbian security forces. Some managed to come back after the conflict, and most of these settled in Bosniak mahalla (of the Turkish word 'mahalle' meaning a distinct area in a settlement populated by either a minority or a large extended family). But as Serbs created a defence force to prevent Albanian entry into the northern part of the city and French condoned off the bridges most could not return. The few Serb homes left in Mitrovica south were burned and looted out of revenge by Albanians as was the Roma mahalla where 6.000 Roma lived. (ICG, 2005).

This division hardened in the following months, with movement across the bridges restricted by KFOR, and Serbs creating a paramilitary force - the Bridge Watchers - to defend against Albanians. February 2000 saw more violence which caused 1/3 of the remaining Albanians in north Mitrovica to flee. In the following years more attacks and riots would take place by both communities against each other or against the international presence (ICG, 2005). On the 8th of April 2002, UNMIK police officers were attacked with grenades and snipers in north Mitrovica. By then people were already less impressed by such an event, as a spokesperson called it *“merely the latest episode of violence that has gripped the city since the UN assumed responsibility for Kosovo in June 1999”* (ICG, 2002). The many cases of violence between Albanians and Serbs and violence against the IC by both groups not only have a negative impact on life in Mitrovica but on entire Kosovo. *“Events in the city are radicalising both the Albanian and Serbian communities throughout the province”* (ICG, 2002). Violence in Mitrovica has sometimes led to “revenge” violence in other areas of Kosovo and it keeps the news filled with stories about the dangerous “other”. The situation in the north – where Serbia still has an influence over Kosovo's territory – is a cause for Albanian frustration and fear that Kosovo might be divided. It has been threatened by Albanian politicians that they will take this matter in their own hands (ICG 3 June 2002), and I've heard these threats being echoed by local Albanians in 2008 on occasion (field notes). Hopefully this description makes it clear that Mitrovica is not only a divided city but also a dividing city: it forms the spill in the enduring Albanian-Serb tensions in Kosovo.

4.3.2. Population

The inter-ethnic tensions and conflict had and still have a large impact on the population demographic of Mitrovica. Mitrovica is currently home to approximately 130.000 people (ECIKS, 2009), this is an increase of 30% since 2002 when the population of the municipality of Mitrovica was 100.000 (ICG, 2002). These people live in an total area of 350 km², divided over a total of 47 settlements in the municipality of

Mitrovica (Kosovo in figures, 2008). After the conflict more and more Serbs moved from different areas south of the river Ibar to Mitrovica or north of the Ibar in general, while many Albanians left north Mitrovica in favour of living south of the river. This is reflected in the statistics. It was already mentioned that during the last years of the 90s about 10.000 Serbs and 10.000 Albanians lived in Mitrovica north, by 2002 this had changed to 12.000 Serbs, 3.000 Albanians, 2.000 Bosniaks, 600 Turks and 500 Roma. These numbers include approximately 5.000 internally displaced persons (IDP's) of the Serbian ethnicity. South of the Ibar fewer than 20 Serbs remain, as the 300 Serbian families who lived there before 1999 fled north (ICG, 2002). To these numbers must be added that most Serbs who can leave Mitrovica do so, there is not only immigration happening but also emigration. Three years later these statistics have kept developing in the same direction with only about 2.100 Albanians left in Mitrovica north, and about 12.000-15.000 Serbs living there, including IDPs, students and specialists from Serbia proper (ICG, 2005). Despite its tensions Mitrovica north is one of the most multi-ethnic regions in Kosovo. The International Crisis Group estimates that as much as 1/3 of Kosovo's remaining Serbs are living north of the river Ibar (ICG 13 September 2005).

4.3.3. Inter-ethnic relations

The conflict not only shaped the population demographics but, clearly, the relations between Albanians and Serbs as well. Before the war a higher percentage of Serbs spoke some Albanian in Mitrovica than anywhere else in Kosovo, and Albanians would boast about their fluency in the Serbian language (ICG, 2005). This is nowadays no longer the case, and with the communities so divided options for dialogue hardly exist anymore. Since the conflict divided both communities to their own side of the river, opportunities for contact are rare. Although Albanians do live in Mitrovica north, among a majority of Serbs, there is hardly any contact there either. Most Albanians in north live in Bosniak mahalla and at the “three towers” and stay away from Serb inhabited areas. If they go anywhere it is to south Mitrovica, by the foot bridge west of the central bridge, a road bridge further to the west or by the east road bridge. The central bridge is not really used, locals say because this bridge is too much out in the open and people prefer not to be seen walking the bridge (field notes). Kodra e Minatoreve/Mikronaselje is a mixed area in north Mitrovica on the hill below the miner's monument, where integration seems to be happening to some extent. It is reported that the children of Albanians, Bosniaks and Serbs play together there and people of different ethnicities visit each other's shops. Even from here though, Albanians cannot venture further into the north safely (ICG, 2005 & UNHCR, 2003).

Because of this almost complete lack of contact, both communities of Mitrovica are highly ignorant of each other and know little about live on the other side of the river, except that they're both poor (ICG, 2005). On more than one occasion Serbs told me about how Albanians in Mitrovica south are extremely religious, they never drink alcohol and the women all wear Islamic burqa's or veils. This is strange because the bars in Mitrovica south are just as full with people drinking beer and Rakia as in the north and I haven't spotted a single burqa in Kosovo, and hardly any veils either (field notes).

Another similarity between both communities in Mitrovica is that they both complain about “newcomers”. People do not fear their old neighbours of the other ethnicity because they know they can get along and see each other as individuals, but fear the people – often refugees – who never lived in Mitrovica and settle there now. These people are known, even in their own communities to have more extreme views and cause more trouble (ICG, 2005).

This lack of contact and influx of new, unknown faces not only keeps stereotypes alive, but also makes peaceful solutions more difficult when there are tensions because there is a lack of information and hardly any options for dialogue. *“Due to the lack of contacts and the readiness of both sides to mobilise for combat, any incident carries the risk of escalation”* (ICG, 2005).

People in power on both sides of the river show no interest in peace building and especially in the north more often welcome these violent confrontations than condone it. The Serb National Council (SNC) – probably the most powerful Serbian political actor in north Kosovo - actively promotes the notion of an Albanian threat (ICG, 2005). The role of politics in Mitrovica will later be discussed in more detail.

On top of this there are other people - both in north as well as south Mitrovica - who benefit from the current unstable situation to continue their profitable illegal activities. *“All interviewees in Mitrovica note that powerful individuals, families and groups on both sides of the ethnic divide collaborate in smuggling, trafficking, car theft and other illicit activity while maintaining a political and social environment that makes it taboo for ordinary citizens to work together”* (ICG, 2005). This illegal cooperation hinders normal cooperation for various reasons. First, the actors involved in this benefit from a monopoly on cooperation, keeping the profits within a small group. Second, by promoting division and punishing inter-ethnic contact they keep the conflict alive and with it the current situation where there is a lack of rule of law, which in turn makes criminal activities a lot easier. Mitrovica is still known for its lack of law enforcement with many crimes going unpunished (field notes), and in 2005 the ICG reported that especially after dark there is almost no protection against crime (ICG, 2005).

An important instrument in Mitrovica north in keeping the tensions and conflict alive for the politicians and other people in power are the Bridge Watchers who have about 150-250 “members”. They originally formed to protect north Mitrovica from Albanian extremists. Now they are extremists themselves on top of being criminals. They are paid by the Serbian Ministry of the Interior (MUP) as members of state security (DB), which is a direct violation of UNSCR 1244. Shops have to pay “protection” fees to them, and local population who work with UNMIK are intimidated by them. They make extra money by organised crime such as smuggling and prostitution. They also prevent Albanians from returning north and prevent the IC of establishing a presence in the north (ICG, 2002).

4.3.4. Politics

These Bridge Watchers and generally anyone in power trying to keep the tensions alive in Mitrovica north are linked to politics. Politics have a huge influence on everyday life in Mitrovica, as this is the place where the essence of the Kosovo conflict – Albanians want Kosovo to be an independent state under their majority rule, Serbs want Kosovo to be a part of Serbia and therefore be under their majority rule – is held under a magnifying glass. The authority of the government of the 'Republic of Kosovo' extends to all areas of Kosovo's territory, except the northern part of Kosovo above the river Ibar. This is where Belgrade still has the largest influence over the population, and neither Pristina nor the IC have so far succeeded at getting a foot on the ground in the north. This political conflict is happening right in the middle of Mitrovica and its effects can even be seen in many apolitical aspects of life. Belgrade's and Pristina's tactics for having control over the northern area's are practically opposite: Pristina tries to prove to the world that they can govern peacefully over Kosovo's territories and have a multi-ethnic society, and Belgrade's trying to disprove this by keeping the conflict alive. *“The goal of the Albanians is to unify Kosovo, while Belgrade uses every available means to maintain its grip on the North with the intention of partitioning the province”* (ICG, 2002).

From the beginning, right after the end of the conflict in 1999 UNMIK took control of the territory of Kosovo but had difficulties north of the Ibar and especially in Mitrovica. It was originally planned to make the hospital in Mitrovica north multi-ethnic as well as other services there, but UNMIK failed at maintaining this. In fact, it was never able to maintain a full presence in the north while Belgrade's institutions continue operating there without any problems (ICG, 2002). Serbs barely tolerated UNMIK in the north because they saw (and still see) it as pro-Albanian. Instead they still look to Belgrade for authority and guidance and they make use of the parallel institutions maintained by Belgrade and the Serbian National Council (SNC), the local Serbian authority. An example of this is the telephone system which has been reintegrated with Serbia's (ICG, 2005). It's the same with the mobile telephone system. Serbs in Mitrovica use a Serbian provider (and some Albanians as well because it's cheaper) while the rest of Kosovo uses a Kosovar provider. If I wanted to make a phone call from north Mitrovica to south, this would be an (very expensive) international call, basically as if I would be calling from Serbia to Kosovo (field notes).

UNMIK was slowly and begrudgingly more or less accepted by the local population because it became the official authority in Kosovo - something to which even Belgrade agreed. In February 2008 the situation became more complicated with the declaration of independence by the Albanian majority because since then UNMIK has been handing over its authorities to the government of an independent Kosovo: something Serbs are very hostile against. On top of that UNMIK will be replaced by EULEX, the European rule of law mission which goal is implementing the Ahtisaari proposal in Kosovo, which basically means implementing the independence of Kosovo, and therefore will also not be accepted by Serbs. In short, the situation not only became more complicated but also became a lot more difficult. Belgrade has not been standing still while the

situation developed in favour of the Albanians in Kosovo. Most of Belgrade's efforts are focussed on the north of Kosovo. *"All Belgrade politicians view the north in general, and Mitrovica in particular, as the line to be held against further Albanian encroachment"* (ICG, 2005).

Belgrade's has two main interests regarding Kosovo, which can be opposed to each other in some cases. First, to keep Kosovo as a part of Serbia and second, the needs of the Serbian population in Kosovo (ICG, 2002). Regarding Belgrade's first interest – to keep Kosovo as a part of Serbia - Belgrade's policy is to stimulate the conflict in Kosovo to prove that Kosovo is not safe for Serbs. Their argument is that if Kosovo is not safe this means that Kosovo cannot be independent because it fails to protect minority rights. In the scenario of an unavoidable independent Kosovo their argument would change to that the north of Kosovo (starting at the river Ibar) needs to partition and rejoin Serbia in order to defend the security and rights of the majority Serbian population there. *"If the Serb hard-liners can demonstrate that KFOR and UNMIK are incapable of creating a secure environment for non-Albanians and functioning institutions in strife ridden areas, then Belgrade can push its case more forcefully"*. *"The purpose of this consolation is to prepare Kosovo for eventual partition"* (ICG, 2002). This goal can have negative effects on the second interest of Belgrade – the needs of the Serbian population in Kosovo – as stimulating the conflict and opposing advancement does not make life any easier for most Serbs. The proposed division has caused tensions between Serbs of the enclaves (south of the Ibar) and Serbs of the north since late 1999 (ICG, 2002). As a partition of Kosovo would leave Serbs south of the Ibar even more defenceless against the Albanians they fear and make them an even smaller minority (field notes).

That Belgrade chooses the interest to keep Kosovo as a part of Serbia over the needs of the Kosovo Serbs can be explained with political reasons. For example, the 100.000-150.000 Serbs left in Kosovo are hardly relevant as voters. Besides political reasons for Belgrade's opposition to integration in Kosovo, ethnic beliefs and criminal interests also play a part. *"...primary reason for the difficulties in Mitrovica lies with hard-line elements among the Serbs, both in Mitrovica and in Belgrade, who are unwilling to submit to UNMIK rule, or to accept integration of the northern part of the city into Kosovo society and political institutions. Their reasons are partly political, partly ethnic, and partly criminal"* (ICG, 2002). An example of the criminal reasons for Belgrade's policy is that a lot of money that is "invested" in Kosovo in fact disappears in the pockets of politicians and other people in power. What exactly happens with the money is unclear but corruption scandals are very common (ICG, 2009).

Another example of the influence of criminal interests on policies are certain tax-laws. In the beginning of 2005 Belgrade wanted to create new laws for collecting VAT on goods going to Kosovo, but the SNC fearing a loss of profit on smuggling activities protested by calling the new laws unpatriotic. They got what they wanted, as VAT continued to be waived for any Belgrade registered businesses when importing goods from Serbia into Kosovo. This is a double win because it prevents Kosovo Albanians from importing without

VATs and so the VAT-free imports for Serbs were solidified (ICG, 2005). On the side of the government of Kosovo there is simply a lack of control to change these things, which is also benefiting the Serbian elite in Kosovo. *“The business and political elite of the Serb north, including the SNC, reap benefits from VAT, customs and excise collection due to Pristina's lacks of effective control over the administrative boundary line with Serbia”* (ICG, 2005).

As almost everyone in Mitrovica north votes radicals (field notes) two of the three most influential politicians in Mitrovica north are hard-liners. The political leadership of Mitrovica north has three main figures: Marko Jaksic, Milan Ivanovic and Oliver Ivanovic. Where Marko Jaksic is vice-president of the DSS and a member of the Serbian parliament, Milan Ivanovic is the head of the Serb National Council of Northern Kosovo and director of the Mitrovica Health Centre and Oliver Ivanovic was a member of the Kosovo Assembly and known to be more moderate and cooperative with UNMIK (ICG 3 June 2002). Also known as M&M, Marko and Milan are the main political 'supervisors' of the Bridge Watchers and known to be associated with crime. These three men may be the most influential individuals, but especially since 2004 the dominant political force in north Kosovo has been the Serb National Council (SNC). The SNC was originally formed in 1998-99 to represent the rights of Kosovo-Serbs independently of Milošević and his SPS party (ICG, 2005). The SNC keeps actively promoting the idea that it is impossible to live with Albanians and hindering contacts that might lead to creative solutions. This is reflected in Mitrovica's media, which often focuses on stories about the Albanian threat. Incidents are immediately presented in the media as proof of Albanian aggression, in some cases even when both the victim as well as the perpetrator of the crime were Serbian (ICG, 2005).

The part of Mitrovica south of the river Ibar sees less problems, and therefore there are also less reports written about it. The Albanian interest is to pursue integration because this can lead them to independence. The earlier described “standards before status” policy had a huge influence on this current pro-integration attitude. It must be said that although politically Albanians do not oppose integration of Albanians and Serbs this is still not something they have a lot, if any, of motivation for. There is a move towards integration because the international community wants it but many Albanians, especially in Mitrovica south where relations are a lot more tense than say Pristina, prefer not to have contact with Serbs (field notes). Many Albanians are afraid to lose north Kosovo (including north Mitrovica), and the political leader Albin Kurti has often warned that this will happen (field notes). This fear is reflected by some less official policies and intra-community pressure that forbids Albanians from selling their property in the north of Mitrovica to Serbs. The ones who do sell can expect harassment from both the media as well as political leaders (ICG, 2005).

4.3.5. The Economy

Another important factor influencing everyday life in Mitrovica including trade and inter-ethnic relations is

its economic situation. Mitrovica used to be known not for its division but for its mines, the Trepça mining complex. The mines are located north of the river Ibar, the factories south. Kosovo has the world's fifth largest reserves of lignite, and in Trepça's Mineral Belt there is furthermore bismuth, cadmium, coal, gold, lead, silver and zinc to be found (ECIKS, 2009). Trepça has been a mine since the middle ages, and during the Yugoslav period was closely linked with Mitrovica, providing about 20,000 jobs there. Since the 1980s the mines have not been able to produce a profit any more, and large scale production has been halted since 2000 with disastrous economic results for Mitrovica. In its current state the mining complex needs huge investments to be able to run a profit again and it's unclear yet if these profits would be high enough to warrant the required investments. Both Albanians and Serbs still see Trepça as highly valuable, despite its lack of economic success in recent years (ICG, 2005). As Trepça used to be the main employer (ICG 3 June 2002), the unemployment rate in Mitrovica is with its current 77% very high, even for Kosovo's standards (OSCE, 2008). With its mining gates closed Mitrovica is in some ways a town fallen from glory, and both Albanians and Serbs who are not originally from Mitrovica often describe it as a depressing place (field notes).

It is clear that a lot of investment is needed to revive the city's economy. Besides the possible (full) reopening of the Trepça complex there are studies regarding restarting the old car battery recycle plant in Zvečan or the zinc smelter and car battery production line in Mitrovica south. But their potential remains unclear, just like the possibilities for Trepça. The ICG (2005) recommends more support for creating new SME's as a way of reviving the economy but stresses the importance of the attitude of the local population. On either side of the river there appear to be very different mentalities regarding work, which might lead to both communities developing in a different direction. *"The attitude of city residents themselves will be crucial. While the municipal authority in south Mitrovica emphasises growth of small and medium enterprises, studies have reportedly determined that north Mitrovica's inhabitants do 'not want to work in manufacturing sectors'. Therefore, local officials put faith in public services as the mainstay of development"* (ICG, 2005). If this would lead to a more diverse city economy, with the north and south each specialised in other areas, perhaps this could lead to an increase in trade. But it has to be seen how this will develop in the future.

This severe weakness of the economy has its effects on the local population. Serbs keep leaving Kosovo for the same reasons as before 1999: lack of economic opportunity (ICG, 2002). Belgrade knows this and is offering Kosovo Serbs economic incentives to stay, in the form of the so called "double salaries" (field notes). Many Serbs in Mitrovica receive multiple government salaries (ICG, 2005) resulting in, for example, schools that are completely "staffed" but do not have any students. There are cases of people having over 5 "jobs" (ICG, 2009). Because of the many corruption scandals in north Kosovo and the economic crisis Belgrade is lowering its Kosovo budget which led to increased tensions between the Kosovo Serbs and Belgrade. Government salaries in Kosovo used to be standard 200% of the equivalent job in Serbia proper but this has decreased recently to 150%, leading to many complaints and threats of more Serbs leaving

Kosovo. Complaints or not, it is likely that Belgrade's funding for Kosovo will go further down in the future as Serbia is currently facing a budget crisis (ICG, 2009).

Despite the cases of fake jobs in the north, there is still a severe lack of jobs on both sides of the river. People are drifting to wherever there is money. The ICG (2005) explains how hard-liner Milan Ivanovic and the SNC got more control of the limited budget resources and opportunities for jobs (the hospital is now one of the biggest employers in Mitrovica north) their loyalty bases also grew, reducing the influence of the more moderate Oliver Ivanovic (ICG, 2005). This economic flow can just as easily point people in the other direction it seems. *"Others, while worrying about independence, say, 'if only I had a job, I wouldn't care much about these things'"* (ICG, 2005). The ICG reports for the first time in 2005 about the then new phenomenon that Albanians and Serbs are going to each other for jobs. Examples are given of an Albanian woman who started a new multi-language magazine and received many applications from north Mitrovica Serbs. A Serb owning a construction company in north Mitrovica saw Albanians coming to him for work. *"They have stopped caring altogether who I am and started focusing fully on the business"* (ICG, 2005). By 2008 these Albanian workers in Mitrovica north were common faces among the local population and hired often by local Serbs because of their lower wages and alleged higher quality work (field notes).

These examples of Albanian-Serb cooperation when it comes to jobs shows that people in Mitrovica are - despite all the pressures, from intra-community rules to hard-line politicians and biased media - willing, and able to cooperate. The same basic principle is at work in the inter-ethnic trading business, be it a bit more complex, as will be seen in the results.

In order to interpret the results regarding inter-ethnic trade and relations, it is important to understand the context in which these are taking place. Relations between Albanians and Serbs have changed a lot the past decades, from areas in Kosovo where Albanians were often godparents to Serbian children (CARE, 2006) or places with less good relations like Mitrovica where there was clear segregation (respondent # 2) to finally a complete disintegration of inter-ethnic relations and a civil war. In the first part of this chapter the current state of inter-ethnic relations will be described as well as the recent history, based on the experiences of local Albanians and Serbs. After this will be discussed in order: the role of reconciliation programmes and the international community, the economy, politics and the inter-community rules affecting trade and inter-ethnic relations. The chapter will close with a short paragraph on how the here presented context shapes trade and inter-ethnic relations in Mitrovica.

5.1. Current inter-ethnic relations in Kosovo and Mitrovica.

This paragraph will discuss the current inter-ethnic relations in Kosovo and Mitrovica specifically, from a perspective of the local population and members of the international community present in Kosovo. It is divided in a part focussing on how there relations have developed and a part on how these relations are now.

5.1.1. How inter-ethnic relations have developed over the past 30 years.

This description of inter-ethnic relations in Kosovo will start in the 1980s for two reasons. The first being that during the 1980s relations between Albanians and Serbs really started escalating, and the second being that based on the age of most of my respondents this is the farthest back most can still remember. In the 1980s there were already tensions between Albanians and Serbs. Several Serbs remembered how their mothers carried weapons when bringing their kids to school in fear of Albanian attacks (field notes, respondent #2 & #4). Respondent #2, a Serb who lived his entire life in Mitrovica North, recalls not being able to go to school because of Albanian protests and fear of the police force which was then mostly Albanian. Back then some schools were divided into an Albanian and a Serbian part, for example by a wall (respondent #1 & #4). People were being beaten up based on their ethnicity by the other group, in some cases even regularly (field notes, respondent #1 & #2). Although Mitrovica was still mixed back then Albanians and Serbs lived very segregated, respondent #2 recalls: *"it was not like Bosnia"*. There was an unwritten rule that Albanians walked on the right side of the main street and Serbs on the left side. It was already divided then, respondent #2 repeats, the only Albanians he had contact with were his neighbours. *"Mitrovica was no paradise but it was ok"*. This is in line with what other respondents told me, they only had a few contacts of the other ethnicity and these were mainly neighbours (field notes, respondent #1 & #4). Respondent #3, an Albanian woman originally from Mitrovica North but now living in South says she had a few good relationships with Serbs but also some bad ones. Especially when the tension increased relations

decreased (respondent #2, #3 & #17) Respondent #2 jokes that he has more contact with Albanians now after the war than before the war because of his work in an international NGO. He concludes about Mitrovica before the war: *"Although there were no big incidents there was always tension."*

During the 90's the situation became a lot worse, especially for Albanians. *"After 1991 the situation grew worse, because the removal of the autonomy of Kosovo by Milošević forced Albanians to create their own parallel state. By the creation of the parallel state the Serbs got even more afraid. Everything was Serbian, the police was Serbian, all institutions were in Serbian even though 80% of the population was Albanian"*, an Albanian law graduate from Pristina explained (respondent #1). Regular beatings by the Serbian police in Pristina were no exception then, making some Albanians too afraid to talk at all on the streets out of fear for being recognised as an Albanian (field notes & respondent #1). Many Albanians also reported that their Serbian friends and neighbours started to break off any contact in the years before the war (field notes, respondent #1 & #17). An Albanian from Mitrovica North remembers that even his Serbian friends started turning their backs on him, he calls it a *"politicization like with the Jews in Germany before the second world war"* (respondent #17).

It must be noted however that although these interviews paint a picture of segregation and lack of contact even before the war this is not entirely conclusive. Traders especially mentioned that their trade started happening through their (many) contacts from before the war (respondent #5 & #7). An explanation an OSCE advisor gave me was that many people in Kosovo tend to exaggerate the extent to which they had bad relations. This is done in order to fit their present day picture of inter-ethnic relations or even as a political argument (field notes). From CARE's research in 2006 it becomes clear that these relations also really depended on the different areas in Kosovo (CARE, 2006).

By the end of the 90s the ethnic tensions had developed into an armed conflict. People did not talk much about the war or bombings during my interviews though. Especially Serbs seemed to have very negative memories of it. *"You would not wish this experience for your worst enemy"* is what a Serbian student once told me in Mitrovica North (field notes). Albanian respondent #1 said something completely different: he remembers the bombings as being *"quite cool"*. He was happy but also scared, mainly of Serb counter-attacks.

It has been discussed earlier in this thesis how after the armed conflict ended and Albanian refugees started returning home a wave of revenge killings and lootings took place, mainly aimed at the Serbian and Roma population. Respondent #1 explains this in his own words: *"After the war Albanians were euphoric, they wanted to hit every Serb but too late realized this was wrong. Wrong because then Serbs became the victims and Albanians the aggressors. Which was opposite of before the war. Serbs left Pristina because they were afraid."* He mentions that during and especially after the war his father, despite being *"extremely pro*

Albanian” and by Serbs associated with the KLA, also protected Serbs. This happened the other way around as well: there were instances of Serbs protecting Albanians (respondent #1).

5.1.2. Current relations between Albanians and Serbs.

As this thesis is being written, the armed conflict has ended over 10 years ago and violent incidents have become rare. Relations between Albanians and Serbs have slowly improved during these years but are still problematic at best. It can be concluded from my interviews that current relations between Albanians and Serbs in Kosovo are given form by a mix of politics, past grievances, stereotypes, fear, restricting rules of the own community, personal attitudes and economic interest. This is quite a plateful and will therefore be further explained.

One of the factors still influencing inter-ethnic relations are past grievances. Some people mentioned individual grievances as their reason for not wanting any contact with the other ethnic group. One Serbian girl did not want contact with Albanians because she is still frustrated and hurt by having to flee Pristina during the war and losing her apartment. An Albanian student told me it would be too confronting to have contact with members of the ethnicity that killed eight of his uncles (field notes). Often though, these grievances are more on a general or societal level. Most Serbs are still very angry about the riots of 2004 and the declaration of independence (field notes). Respondent #1 from Pristina, who has good relations with Serbs, sometimes still feels bad when working with Serbs because he feels like a “beggar”. He feels he has to beg them for contact since they don’t want to: *“Why should I beg people who killed my ethnicity before?”*, he asks. He feels frustrated with the Serbian government which biggest complaint is that Serb rights aren’t protected, frustrated because Albanians try. A Serb from Mitrovica puts it this way: *“Politics bullshit. You can talk with an Albanian about anything but politics. It is not easy to forget the blood”* (respondent #16).

Another factor in inter-ethnic relations is stereotypes, when talking with Albanians or Serbs about politics or the other ethnic group these easily come up. There are many stereotypes about the other ethnic groups in Kosovo, often believed to be true. Respondent #1 gave a few examples of what he believes to be Serbian stereotypes about Albanians. *“Ramush Haradinaj is a war criminal but became prime minister even though he only received 7% of the votes. But Serbs believe all Albanians voted for him. We have only one aggressive radical Albanian party but it never gets votes. The UCK government is not nationalist any more or actually it never really was, even though Serbs still see him (the president) as ultra nationalist”*. People in Mitrovica North have a ‘prejudice barrier’ in their heads, says respondent #2. Which is enforced by Albanians really causing problems, there have been over 400 attacks on the north by them he says.

Although many people believe these stereotypes to be true, for some people this changed when they engaged into contact with the other ethnic group. Respondent #10, a Serb from Belgrade believed the negative image presented by the Serbian media about Kosovo and Albanians was not correct. But he still was positively

surprised by the Albanian hospitality, the honour they treat him with and their efforts to speak English or Serbian with him. Respondent #1 had a comparable experience with Serbs. He got a job working for a NGO in 2000 and had to work with Serbs for the first time. He felt like a traitor and refused to speak Serbian with them despite his ability to speak the language fluently. He chose to speak English with them instead. His views on Serbs changed when he had to work with them, and also really fast: he went out for drinks with his Serbian colleagues and after this he was 'ok' with them. After this he also started speaking Serbian again. It broke the stereotypes and made him see they were just like him. He believes that within the Albanian society in Kosovo this stereotype about Serbs is created, and kept intact because of lack of contact (respondent #1).

It must be said that these examples could be called 'success stories'. There are also many examples of people engaging in contact across ethnic group lines but not changing their attitudes or stereotypes. Many people even keep their incorrect view based on stereotypes when confronted with contrasting information (field notes). Another problem is that in most cases people only engage for a certain short amount of time in inter-ethnic contact, such as in dialogue programs. After this contact ends they return to their own community and under influence of the reigning stereotypes there quickly revert back to their old views (CARE, 2006).

Surprisingly, Both the Albanians and Serbs who do have good relations with the other ethnic group stated the exact same reasons for this. The words were almost always the same *"there are good and bad people everywhere"* (field notes, respondent #5 & #10). Some put it in other words: "I don't judge people based on ethnicity" (respondent #2), or "everyone should be judged as an individual and not as a group" (respondent #2 & #4). Still, even after many years of inter-ethnic friendships many are sceptical. One Albanian who had worked with Serbs for the past 10 years and considers many of them to be his friends summarises his attitude towards them in one sentence. *"I don't love them but I don't hate them. I would never marry a Serb"* (respondent #1). A Serb from Mitrovica tells me more or less the same, he adds that his Albanian colleagues understand the Serbian situation very well, and they make good jokes together on a national level, meaning Kosovo/Serbia/Yugoslavia. But he believes this is an exception and not representative for the rest of the population. Because people who work in NGOs are higher educated and more open minded in general to begin with he says. He does not believe good inter-ethnic relations would be possible in countryside (respondent #2).

The respondents who were just discussed are very positive examples of inter-ethnic relations, among the most positive I have encountered. Not everyone shares their enthusiasm. Respondent #16, a Serb from Mitrovica North who works with Albanians daily stresses with quite some emotion that inter-ethnicity or the multicultural society does not exist. *"Never in Kosovo, for the past 50 years Serbs and Albanians have always lived segregated. Albanians and Serbs are too different to ever be friends"*. Later he mentions that there are also some good inter-ethnic relations as he tells about an Albanian friend of his who comes to him if he's in trouble. Then he adds that his opinion about Albanians has changed a bit. Quickly he adds to that:

“But I will never accept the independence, this is my land!”

5.2. Foreign intervention and a wish for reconciliation by the international community.

The previous chapters and the last paragraph have shown how inter-ethnic relations have been troublesome as long as most people who are now living in Kosovo can remember. It has also been discussed how the international community right from the end of the conflict and the beginning of their presence in Kosovo has made reconciliation a top priority: mainly to prevent future armed conflict. Ten years later inter-ethnic relations are still tense in Kosovo and inter-ethnic violence is still happening regularly in Mitrovica. By now the success of the measures taken to achieve reconciliation is disputed, especially by the local population. This became very clear during my interviews.

First it has to be said that many of my respondents (#3, #13, #14, #17) were of opinion that reconciliation and improving inter-ethnic relations in general is very important. *“The aim of reconciliation is integration. Reconciliation is a journey to stop conflict. To respect each other. Whether or not they integrate, they should at least live as good neighbours”* (respondent #14). *“Reconciliation is important for society. For security and psychological reasons, to not live with hatred”* (respondent #17). Not everyone agreed reconciliation is important though. The most extreme opposite views on this were from local Serbs who thought reconciliation to be completely pointless, a waste of money and were being sick of it. This includes a local Serb in Mitrovica who worked on reconciliation for the past 10 years (field notes, respondent #16).

But, the general opinion - with some exceptions - among the people I interviewed was that reconciliation is important. About the effects of reconciliation programmes there was a much more negative consensus though. Of all people interviewed, including people working or having worked at reconciliation programmes all but one were very sceptical about the successes of reconciliation programmes (respondent #1, #2, #8, #13, #14, #16, #17). Their shared opinion was that it did not achieve any real results besides some small individual successes. All these people have worked on reconciliation projects or worked with reconciliation elements in broader NGO projects except respondent #8 & #17. The local population is becoming "sick" of it, and has the feeling being forced into liking their enemies (respondent #2, #13, #14, #16). *“If forced reconciliation will always fail”* (respondent #2). Another Serb from Mitrovica, who has been active in reconciliation projects since 1999 and was recently in international newspapers because of the success of his inter-ethnic project said: *“The 'inter ethnic stuff' is good for donors and IC but it is a big lie. We are neighbours, we must live together, but just don't force me”* (respondent #16). Local kids mostly participate in these projects because they are bored (respondent #14), or because of other reasons such as learning skills, not because they have any interest in getting to know youth from the other ethnic group (CARE, 2006). Because of this disinterest in and sometimes even hostility to reconciliation programmes by the local population on top of the lack of achieved successes so far it seems reconciliation programmes have reached a

turning point. *“Reconciliation is falling out of fashion”* (respondent #14).

The only respondent positive about reconciliation projects was the director of a local NGO who's prime mission was to work on reconciliation. She claimed some individual successes and that in some areas where they have been active there have been reports of Serbs protecting Albanians and vice versa (respondent #3). This is however still in line with the claim of other people who worked on reconciliation that some small individual successes have been reached, but nothing on a more societal level. Another respondent was carefully positive, he works for an NGO aimed at building civil society and creating broader support for peace, among other things. He believed that some of their projects - he gave an example of a Serbian graveyard being renovated by an Albanian company - restore trust. And lack of trust is what is mostly hindering inter-ethnic contact now (respondent #12).

On the effectiveness of reconciliation camps or trips not everyone agreed. These are activities where youth from different ethnic backgrounds go on a trip together where they have a good time, do sports, get trainings, etc. An Albanian and a Serb with both a lot of experience in organising and participating in these camps did not believe this changes anything, even if participants have a good time with members of the different ethnic group (respondent #1, #16). *“You can go to Macedonia together and have a great time, but when you come back everything is still the same”* (respondent #16). Respondent #1 believes it does not work because nothing relevant is discussed, the issues people really care about are too sensitive to discuss when you've just established contact. *“I've been doing this stuff for years man, and I tell you nothing changes. People get along during these programmes because it's fun but when something serious is discussed they are fighting again. It doesn't work”* (respondent #1). These statements are in line with literature: because the programmes are so short people do not get to know each other well enough to discuss the issues that really matter (CARE, 2006). One international NGO-worker with a lot of experience in reconciliation programmes had a contrasting opinion as he did believe these camps might be useful in the long run: *“Seeds are planted there”* (respondent #13).

There are several explanations for the lack of results produced by reconciliation efforts so far. The main reason for the lack of success of reconciliation projects seems to be that the difficulty of improving inter-ethnic relations is underestimated. The claim that short term-effects of reconciliation cannot be expected because it is a generational change is something many people agreed on (respondent #2, #13, #14, #17). Even programmes that have been running for over 7 years cannot claim progress (respondent #14). Assuming that reconciliation programmes do have a positive effect when measured over generations (which is hardly possible yet), this would create problems with NGO-donors because funding is most cases for 12-month periods. After such a 12 month period NGOs are generally required to show results in order to receive funding again. A popular solution for this problem is simply writing positive reports, even though there are no real results (respondent #2, #14, #16).

Another important reason why reconciliation programmes have not achieved results is because of the current political climate (respondent #13, #14, #17). *“Reconciliation is impossible with the current political climate. There are millions little cases of reconciliation, but then Belgrade steps in and says “All Albanians are our enemies””* (respondent #17). Especially in Mitrovica reconciliation is very difficult, if not impossible. Some people say it would be better to work on improving inter-ethnic relations in the enclaves (respondent #3, #16). *“I don't believe in reconciliation in Mitrovica. To achieve something you have to work in less volatile environments. In 2004 it was better in Mitrovica then now”* (Respondent #13). It became worse in Mitrovica because of the riots in 2004, because of the independence and because Serbs feel themselves more and more being under threat (respondent #13). *“The independence set us back 5 years: Serbs said “I will never believe in Kosovo again””* (respondent #14).

The most simple and most extreme explanation for the lack of success of reconciliation efforts was given by respondent #16 who believes reconciliation programmes are not working because their goal is not realistic: that creating an integrated society in Kosovo with Albanians and Serbs having contact is impossible because it's a myth that never really existed.

In short, this paragraph has established that reconciliation and improving inter-ethnic relations is deemed to be very important for a better and more peaceful future of Kosovo. But reconciliation programmes – specifically aimed at this task – have proven not to be successful so far. On top of that the local population has a very negative attitude regarding those programmes, or at the very least has no real interest in them. This is an obvious problem, Kosovo has a 'disease' but the 'cure' does not work.

The inhabitants of the Balkans have a reputation of being very focussed on their history, at least that's the stereotype. Several times it was mentioned to me that perhaps Europeans should look a bit more at their own history because it might hold some useful information: people pointed out how Europe did not have any reconciliation programmes but still was able to reconcile after the biggest war history had ever seen (field notes, respondent #2, #13). Europe had something instead of reconciliation programmes though: economic interest.

5.3. A failing economy makes peace more difficult.

There is a strong link between economic development and inter-ethnic relations according both to theory and my interviews. As it has been discussed in the previous chapter how Kosovo's economy is performing poorly and especially the unemployment rate is dramatic, this doesn't bode well for Kosovo's inter-ethnic relations. I never asked questions specifically about the general economic development or its relation to inter-ethnicity during my interviews but many people started talking about the economy regardless of this. The views of the

majority of Albanian and Serbian locals were the same: with a better economy there would be less inter-ethnic issues (respondent #2, #12, #15, #16, #17). Furthermore, a better economic development would improve inter-ethnic relations. It would relax tensions and when people have jobs they are less likely to be frustrated and become radical, also they would care less about political issues. *“The economic situation helps improve relations by itself. People focus on money instead of politics”* (respondent #17). Respondent #2 and #12 saw a link between unemployment and rioters. *“Employing people would keep them from going out on the street and demonstrate, it will entice them to participate in society, and it will make them consumers”* (respondent #12). Both an Albanian and a Serb from Mitrovica put this into connection with the news: If you have a job, you don't have time to watch the news and watching the news makes you radical (respondent #2 & #17). Respondent #2 added that ethnic issues started in Yugoslavia when its economy started collapsing. He did probably not know that the former Yugoslavia is a classic example in conflict studies about the effects of a failing economy on the chances of conflict.

There is much scientific literature on the link between a poor economy and the occurrence of conflict (compare Cramer, 2006 and Collier, 2007). A better economy might have other, more indirect effects as well on increasing contact and improving relations of Albanians and Serbs. One respondent noted that a better economic situation in Kosovo would increase (economic) contact because it would also increase the interest of Serbs in working with Albanians, since there would be more to gain (respondent #15). On IDP returns, the most important factor for its sustainability is economic development as well, several people noted. You cannot just send people back and expect them to stay if there are no jobs for them there (respondent #12). *“The sustainability of return is inevitably linked to the broader question of the growth of economic activity in Kosovo...There is no use in providing safe transport routes or houses when there are simply no jobs available”* (respondent #11). Also, when there are no jobs returnees could be seen as a threat to the already present population because they decrease their chances of getting a job.

5.4 Opposite politics striving for either integration or disintegration.

Kosovo is known for its ethnic conflict between Albanians and Serbs, but this would not be an accurate description. In essence it is a political conflict over territory fought out across ethnic group lines. Albanians and Serbs have opposite political goals: they both claim the territory of Kosovo. K-Albanians want it to be an independent state where they are the majority and therefore will have power over its territory. Serbs want Kosovo to be a part of Serbia so they are the majority and therefore have power over Kosovo's territory. People can talk about the history, the myths, the oppression, the suffering, but in the end the root, the core of this entire conflict is this political issue. This “root” is probably even responsible for the history, the myths, the oppression and the suffering. I'd like to illustrate it with another example from Mitrovica, from CARE's research.

“Everything that happens in Mitrovica is politicised,” one analyst noted. “This is not a human conflict; it is a political conflict. It is not based on hatred,” said another official. (CARE, 2006)

This political conflict is not over. Although Albin Kurti's claim that the conflict could only be solved when Kosovo would become independent because only then Serbs would stop fighting for Kosovo¹⁷ may have seemed logical, this did not turn out to be a reality. Serbs have not given up and the conflict goes on every day. Every week the newspapers are filled with clashes between Pristina and Belgrade¹⁸. In a climate of continuing (mostly non-violent) conflict like this it may be impossible to reconcile. People don't “forgive” someone when the fight is not over yet. In short, politics still have a major influence on inter-ethnic relations in Kosovo that cannot be ignored. Therefore this factor and its effect on inter-ethnic relations and trade will be discussed in this paragraph.

5.4.1. Political change & the Albanian approach to multi-ethnicity

There is a difference between Albanian and Serbian politics regarding its influence on inter-ethnic relations. The current Albanian political approach has a more positive effect on inter-ethnic relations than the Serbian approach and this is in line with their respective political goals. As has been discussed, in the years after the conflict ended Albanians had revenge on their minds causing much inter-ethnic violence. In 2002/2003 the Albanian political approach changed, and with this the situation on the ground as well. *“The new (Albanian) approach was to be multi-ethnic. Serbs have the opposite approach”* (respondent #1). This is in line with the 'standards before status' policy. Which basically states that Kosovo should reach certain standards of good governance before Kosovo's status would be discussed¹⁹. This worked as a huge motivator for Albanians to work on their relations with Serbs. Sadly, because it is such a clear external motivator it remains a question to which extend this more open attitude to Serbs and integration is internalised in the Albanian society. Respondent #1 summarised the attitude of most Albanians regarding Serbs in these words: *“(I) don't like them but I have to be friends (with them) because that's how it works”*. Politics influence everything he says, although differently for Serbs than for Albanians. *“Serbs need to be anti-Albanian, Albanians don't need to be anti-Serb”*. An Albanian director of an NGO in Pristina stated he wants Serbs to integrate in Kosovo society but when repeatedly asked why this integration would be important he could come up with only one answer: *“it is a goal of the government and a goal of the international community”* (respondent #8). No other reasons were given by him.

¹⁷ VETEVENDOSJE! Movement's Manifesto. visited on 21-05-2009. <http://vetevendosje.org/>

¹⁸ Even small things become huge this way. An example is the Serbian president visiting Kosovo. This was not a big deal in itself, the turmoil was about whether or not he asked permission. K-Albanians believe he should have asked permission to enter “their” territory. Serbs believe he should not have to ask permission because it is “their” territory. B92. visited on 20-05-2009

http://www.b92.net/eng/news/politics-article.php?yyyy=2009&mm=04&dd=17&nav_id=58569,

¹⁹ UNMIK - What are the standards? Visited on 10-11-2009.

<http://www.unmikonline.org/standards/> Visited on 10-11-2009

In Pristina this new Albanian approach seems to be working well for inter-ethnic relations: It is no problem for Serbs to live there, and Serbs can freely walk the streets and talk Serbian without being bothered (field notes). Many Serbs who went to Pristina or even lived in there after the war were positively surprised or even really liked it (field notes, respondent #2, #4 & #10). Most Serbs do not know this, and believe going to Pristina as a Serb is still highly dangerous, according to respondent #10, a Serb from Belgrade. He blames this wrong perception on the Serbian media and politicians who still promote the image of Albanians as violent and enemies. It must be added that large cities, and capitals in particular are known in general for their more cosmopolitan attitudes. It is to be expected that other Albanian majority areas in Kosovo are less “Serb-friendly”. Serbian respondent #2 gladly goes to Pristina, but is afraid to go to Mitrovica south. He is not alone in this (field notes, respondent #4), although it is unclear how dangerous it really is to go to these areas.

That Pristina might be a positive exception becomes clear when one looks at Prizren, a city in the south of Kosovo. Albanians are actively removing any traces of Serbian history in that area. Respondent #13, an international located in Prizren working for the ICO is worried that without the presence of the international community Albanians would erase all (Serbian) Orthodox buildings in the Prizren area. According to him politicians find themselves in a tense position between the obligation to implement the Ahtisaari plan on one hand and on the other hand their local power base. There is no real commitment to the Ahtisaari plan: *“they just try to write nice reports”*. ‘This is the cost of independence’ is a big consensus among politicians. The politicians just want to get it over with but the plan is not well imprinted on their minds so not much happens. An example is the new Logo of Prizren which only represents the Albanian majority but not any of the other ethnic groups. *“They do not seem to understand”*. (respondent #13)

Another issue are the minority laws. *“The Minority laws are also made to entice Serbs to come back but the perception is that minority rights come at the cost of Albanians. Everywhere in Kosovo people are fighting for their own rights. There is no sympathy for others”* (respondent #13). This view that Serbs are getting too much aid and rights at the cost of Albanians is something I heard quite often from Albanians themselves (field notes & respondent #3). Respondent #3 tells how Serbs are being helped first with return to their homes and how this frustrates Albanians. Another Albanian frustration is “We pay everything, Serbs pay nothing.” according to her. Respondent #14, an international program director for an NGO in Mitrovica understands the Albanian concerns: *“It's the best (minority rights) pack in the world. If Serbs want to play ball they can have a lot of power. There are already huge losses in the Ahtisaari plan for Albanians.”* Serbs on the other hand believe Albanians are getting much more support from the international community and especially from the United States and European Union (field notes). Both groups are probably right to some extent, but they are focussed only on their own group.

Since the independence Albanian resistance to foreign influence has been growing, which hit a recent low in

August 2009 with violent protests against EULEX in Pristina²⁰. Albanians have what they want now – independence – and while before this all the international rules were seen as necessary costs of independence, now they feel they have paid enough and want to get rid of these rules and regulations. The radical movement “vetendosje!” (self-determination!) seems to have a growing support (field notes). By granting independence the biggest part of the international community's carrot for motivating Albanians in favour of a multi-ethnic state has been eaten. This could mean Albanian support for a multi-ethnic state might start shrinking in the near future.

5.4.2. Serbian approach to multi-ethnicity.

Serbia's relation with Europe and the rest of the international community is very different from that of the Kosovo Albanians and Serbia's political goals are also much different. This reflects in their policies. Especially before the declaration of independence by Kosovo and the following recognition of this independence by 62 states (as of 12-10-2009)²¹, it was in Serbia's best interest to prove that Kosovo cannot protect minorities or minority rights and hereby show the world that it cannot make Kosovo an independent state. Now, after the independence and its recognition by about 1/3 of the world's UN recognised states, Serbia is still fighting the independence by any means. One of the tactics for this is obstructing inter-ethnic relations and integration of Serbs into Kosovar society. The main victims of this appear to be Kosovo Serbs themselves.

Respondent #10, a Serb from Belgrade now living in Pristina tells how he, and his family was afraid to go to Kosovo for the first time because of the way Kosovo is presented in the Serbian media. He also noticed that Serbs from Kosovo are in general a lot more nationalistic than Serbs from Serbia proper. His explanation for this is that they are said to be, by Belgrade, to be 'the defenders of Kosovo': *“They are used and abused by Serbia”*. Serbs are used as political tools by Belgrade, he continues when he gives the example of 250.000 Serbian refugees from the war in Croatia who were not allowed to settle in Serbia proper but had to go to Kosovo. He also mentions several times how people who want to cooperate and do something constructive are crucified by the media and that is how they are controlled. *“The public opinion and policy is ‘Kosovo is Serbia’, but in fact young people in Serbia say “I don’t give a fuck about Kosovo”. The tactic of the Serbian Government is “divide and conquer”. People who want to do something constructive are crucified by the media. That is how people who want to cooperate are controlled.”*. Respondent #12, an Albanian from Mitrovica working at an NGO says the same things. He accuses the Belgrade regime of abusing the Serbian IDP community for its own goals. *“They pressure and intimidate people for their own purposes. They tell Serbs in Kosovo not to accept payments from the Kosovar government. They should let go, Serbs have to integrate themselves in Kosovo”*. He believes politics can still have the biggest influence on positive change,

²⁰ EU Observer. " Violent protests against EU mission in Kosovo". 26-08-2009. Visited on 11-10-2009. <http://euobserver.com/13/28583>

²¹ Who recognised Kosova? visited on 12-10-2009. <http://www.kosovothanksyou.com/>

but they have to change. The media plays a big part in this. *“They should show the real picture, and not some propaganda about how terrible it is in Kosovo”*. This can be summarised by a phrase I often heard during my interviews (not always in this literal form): *“The Kosovo Serbs are used as a tool by Belgrade”* (field notes, respondent #10, #12, #14, #15, #17).

Belgrade's politics may have remained largely the same, but the situation on the ground changed for Serbs. It was an enormous disappointment for them that Kosovo declared itself to be independent from Serbia, and this reflects in their relations with Albanians. An Albanian director of an NGO focussed on entrepreneurship who often cooperated with Serbs before the declaration of independence says that everything changed after this. *“Because the policy of the Serbs changed. They switched from cooperation to opposition”*. Before the independence there was better contact with Serbs. Also, there was contact more often, with international middlemen (respondent #15). This was heard more often: the declaration of independence made inter-ethnic relations, especially in Mitrovica, a lot worse (field notes, respondent #13 & #14).

The effects of Belgrade's policy on integration and cooperation with Albanians in Mitrovica become clear when looked at the Serbian Enclaves south of the river Ibar in Kosovo. Several interviewees talked about the enclaves although I did not specifically ask them about this subject (respondents #3, #4, #10, #13, #17). Since the enclaves are surrounded by areas inhabited by an Albanian majority they do not have a direct connection to Serbia (proper) like the north of Kosovo, above the Ibar. Belgrade does not have a strong influence there and Serbs are forced because of this lack of help from Belgrade to cooperate more with Albanians. In Mitrovica Belgrade's influence is strongest, in the enclaves the weakest. *“Serbs are more cooperative in the enclaves. In Mitrovica reconciliation is impossible (respondent #17)*. These differences lead to a division between Serbs from the North and Serbs from the enclaves. This division is mainly based on their attitudes regarding cooperating with Albanians. Serbs from the north are more radical, because of Belgrade's influence and other reasons and therefore strongly oppose cooperating with Albanians. Serbs from the enclaves do not really see any other options. Respondent #3 tells about a meeting of the Kosovo Network of local NGO's where a big fight started between Serbs from the north and Serbs from the enclaves: *“They have differences of opinion because their situations are totally different. Kosovo Serbs from the North have all the support from Belgrade and live in a better position. Kosovo Serbs from the enclaves live in difficult positions because they do not receive any support, nor money, and are surrounded by Albanians. K-Serbs from the enclaves said: “You are the spoiled Serbs, that’s why you can afford to be nationalist” to the Serbs from the North. They said this referring to their poor position which almost forces them to work with Albanians to survive.”*

This view is echoed by respondent #4 who grew up in one of these Serbian enclaves and is currently studying in Mitrovica north. He prefers Mitrovica a lot over the village where he is originally from because there, in the enclave, people are very frustrated. At the same time, he calls Serbs from Kosovo North *“fake*

nationalists” because he believes they really don't care about the enclaves. He says this because Serbs from Kosovo North want the northern part to belong to Serbia but if that would happen the Serbs in the enclaves would be completely separated and would therefore be in an even worse position. “But Serbs from Northern Kosovo only seem to care about themselves and what is best for them. Also the living conditions in the Serb enclaves are a lot worse, and so they more often have to cooperate with Albanians because they can't make it on their own. Then Northern Serbs call them traitors for this but they talk from a luxury position because they receive all the support from Belgrade, and at the same time are also working with Albanians themselves.” This is underlined by respondent #10, a Serb who travelled a lot through Kosovo for his work at an NGO. “they (Serbs from the north) are very selfish, they do not care about the Serbs south of the Ibar. ”

So, the situation and attitudes of Serbs in Mitrovica and the north of Kosovo in general are very different from the Serbs in the enclaves. Not only because of the different geographical position, in Mitrovica north the situation is influenced by Belgrade in several ways. By providing “double” salaries, through politics and media, as discussed above, and by placing radical Serbs in influential positions. These influential positions can be in politics, or in public institutions as for example the director of the university and the hospital are placed by Belgrade. These people have a lot of power. It is said that the director of the hospital controls who, when and where there are protests and who people (have to) vote for. He has this kind of power because jobs are so scarce that a simple threat of being fired is enough to get people to do what he wants (CARE, 2006 & ICG, 2009). The radical politicians make sure the situation remains tense, the enemy image stays intact and that people who want to relax relations with Albanians are punished. “...get rid of 'Marko Jaksic', a big boss in Mitrovica – a very bad guy – put there by Belgrade. The people are constantly fed stuff like how the Albanians will kill them. But at the same time they are afraid of other Serbs who might burn down their car if they work with Albanians” (respondent #14).

This influence of Belgrade's radicals also affects inter-ethnic trade in a negative way. *The only inter ethnic cooperation in Mitrovica is trade. A small group of Serbs control the situation. If they say 'no' it is no, there is nothing to be done”* according to respondent #17, an Albanian living in Mitrovica North . He also gives an example of when this small group of influential Serbs say there will be no trade in Bošnjačka Mahala (an Albanian populated area in Mitrovica North where Serbs often go to the market) on Saturday then suddenly it is empty that day. There is cooperation but this is hindered by the radical wing which keeps people from relaxing (respondent #17). The influence of the Kosovar government is less negative, but respondent #17 admits that the government could do more in South Mitrovica to help cooperation. As an example he says that the church in Mitrovica south could be renovated to send the right signal.

It has been discussed in this paragraph how both governments (Pristina and Belgrade) influence inter-ethnic relations in a different way. Currently, especially Belgrade's policies are obstructing inter-ethnic contact and cooperation in the north of Kosovo. In the Serbian enclaves their influence is weaker and more cooperation

happens there. Regarding reconciliation this implies, as also said by some interviewees that it is much easier to start improving inter-ethnic relations in the enclaves. Some interviewees (respondent #13 & #17) went as far as saying that it is impossible to improve inter-ethnic relations in Mitrovica because it is too radical and because of Belgrade's influence.

5.5 The rules of the inter-ethnic game.

Another factor having a huge influence on inter-ethnic relations in everyday life are the so called “rules of the inter-ethnic game”. Although these are influenced by politics as well, their basis lies within the intra-community rules themselves. These rules refer to how it is forbidden, especially in Mitrovica, to have contact with members of the other ethnic group. The “rules of the inter-ethnic game” are intra-community rules that exist within the Albanian community as well as the Serbian community and determine all aspects of inter-ethnic contact: what is allowed and what is not. Some forms of inter-ethnic contact are strongly forbidden such as inter-ethnic friendships, others are merely frowned upon such as having inter-ethnic contact as part of a job at an international organisation. People breaking the rules can expect punishment from the radical parts of their own community. Inter-ethnic trade is more or less allowed in most places, although it often still happens in secrecy. These “rules of the inter-ethnic game” are extensively covered in CARE's research (CARE, 2006), and it is from this research that I choose to use the name “rules of the inter-ethnic game” because there is neither an official nor an official name for it. From personal experience I can add that these rules indeed play a major role in everyday life in Mitrovica, but significantly less in Pristina.

During my interviews almost everyone mentioned, at least briefly, these “rules of the inter-ethnic game”. The effect these rules have on everyday life varies over different locations. In Pristina, probably the most relaxed area in Kosovo regarding inter-ethnic relations, it is generally allowed to engage in inter-ethnic contact. As one Albanian from Pristina told me when he was pointing at a couple of Albanian girls from the countryside in a bar: *“I couldn't talk to those girls man, my friends would make jokes about me “look at this guy talking to those rednecks””*. So I asked him *“what if they were Serbian?”*. He replied *“that would be no problem, that would be cool”* (field notes).

In most other areas having contact could result in threats or even violence from the own community. Although most people do not like these rules it is still being enforced by more radical elements in society. These “rules” started to a lesser extend in the years before the war. Back then Serbs started disengaging from contact with Albanians (field notes, respondent #17). Before that it was still more or less accepted to have contact. Respondent #2, a Serb from Mitrovica had an Albanian girlfriend in 1993, which he found hard because there were negative reactions on it from his environment, but at least it was allowed unlike after the war. A Serbian student's father who is living in an enclave has an Albanian friend who sometimes comes over. He calls this a *“secret friendship”* however because if anyone found out they would be harassed

(respondent #4). A Serb working in Kosovo says that it is impossible to have relations with Albanians in public or tell your real opinion about the situation, but in private it is no problem (respondent #10). An Albanian from Mitrovica south says almost exactly the same: *“On a personal level, people can get along pretty well. But at public gatherings it is not so easy, because your own community can lash at you for having contact with ‘the others’”*. It is possible to cooperate, just not officially (respondent #17). This is heard quite often, direct family or friends have no problem with people having contact with the other ethnic group, but it is the rest of the society that causes problems (field notes, respondent #1).

It is hard to really get a grasp on the rules, because they are unwritten and their usage varies per situation and location. *“People here have fake morals”* respondent #2 tells me when he gives the example of two Turkish girls who live in Mitrovica North, and were always with the Serbs and against Albanians. However, when recently they made a music video with an Albanian artist they were discriminated against. Respondent #2 came into the office and a woman who also works in the same building was showing students this video and talking very badly about those ‘Turkish traitors’. This same woman gets her salary from the Albanian government for her own project, which she hides under the flag of the World Bank. People are quick to work with Albanians themselves if it brings them benefits, but are also easy to judge other Serbs for working with Albanians (respondent #2).

5.6. How this context shapes and limits inter-ethnic trade.

In this chapter the current state of inter-ethnic relations in Kosovo and specifically Mitrovica has been discussed, as well as how these have changed during the past 30 years and are influenced by the economy and politics. Albanians and Serbs have different perspectives on inter-ethnic relations. Albanians are politically quite open to it, but on a personal level not really eager to include Serbs in their society yet. Because the politics of Albanians are currently pro-integration - whether or not this is internalised in the Albanian mindset - there are less obstacles for Albanians to engage in inter-ethnic contact. This has at least transformed Pristina into a city where Serbs are tolerated again, and have become a normal part of life. In the rest of Kosovo it is not going so quickly. Serbs in the enclaves face more obstacles when engaging in contact with Albanians, but bare necessity might make this contact increase in frequency and this might also reduce some obstacles as it becomes more accepted. In the Serbian north of Kosovo contact remains very difficult, if not impossible. It is happening though, if there is mutual benefit, as will be seen in the next chapter.

Reconciliation projects have shown to have a very limited, if any, success and generally failed at really influencing inter-ethnic relations. The local population on both sides of the river has grown hostile against these programmes and feels being forced into liking their enemy. The inter-community rules dubbed the “the rules of the inter-ethnic game” have also been discussed as these rules seem to be both a product as well as a cause of the current relations between Albanians and Serbs in Kosovo.

What does the content of this chapter furthermore mean for inter-ethnic trade in Mitrovica? First, it shows that in Mitrovica inter-ethnic relations are still very tense and there is a lack of trust towards the other ethnic group. No one really wants to have contact with the other group if not for a specific reason. This is why trade is one of the few activities in which there is inter-ethnic contact: there is a specific reason and this reason is: making money. Although the rules of the inter-ethnic game are applied less strongly on traders because everyone understands that they have to make a living, it is still difficult to trade out in the open. Especially Serbian traders can expect extra difficulties from their politicians and other people in power because these are generally radicals and oppose ethnic-integration. An example was given about one person who has the power to decide if the inter-ethnic market is open or not on Saturdays. At the same time, these people in power often are in illegal trade with “the other” themselves, assured of a rich profit as long as they can keep other people from cooperating with the other ethnic group. The inter-ethnic traders who are the subject of this study clearly face a lot of difficulties but regardless of this they are trading, they are having contact where reconciliation programmes failed to motivate people for this, and they are cooperating. Now what could this trade mean for relations between Albanians and Serbs in Mitrovica, according to those traders, other locals and members of the international community?

CHAPTER 6: RESULTS

Views on the effects of inter-ethnic trade of experts in Kosovo.

“When a man's got money in his pocket he begins to appreciate peace”.

-Per un pugno di dollari / A fistful of dollars (1964).

The previous chapter discussed how some Albanians and Serbs improved their relations with members of the other ethnic group after engaging in contact with them over longer periods of time. Long term inter-ethnic contact was shown to either improve relations and remove stereotypes in the best scenarios, while in the worst scenarios it did not really lead to any change. In general, the image was quite positive. It was also discussed how inter-ethnic contact is forbidden in most of Kosovo and especially in Mitrovica, except when there is money involved. People understand how everyone has to make a living and with the scarceness of jobs it is accepted to have inter-ethnic contact when this makes a living. Now does inter-ethnic trade have the possibility of contributing to better relations between Albanians and Serbs in Mitrovica as well?

6.1. Money and self-interest

The first and most important thing that trade achieves beneficial to an improvement of inter-ethnic relations is contact across the ethnic boundaries. This is hardly disputable as it is happening all over Mitrovica. The reason why inter-ethnic trade is happening is - quite simply - money. Money and personal interest in general offer a strong incentive to engage in inter-ethnic contact in Mitrovica, despite the difficulties associated with it. Apparently all the pressures from politics, the media, negative stereotypes, grievances, enemy images and intra-community rules are not strong enough to withstand this drive towards interest. *“It's always strange in Mitrovica: even the most radical Serbs have Albanian friends if it gives them benefits”* respondent #2, a Serb involved in politics in North Mitrovica says. He believes that when people have a common interest this forces them to rise above ethnic difficulties and just work together and is convinced that his own change in relations with Albanians - by working for an international NGO - had a lot to do with money. Because he received a good salary he could justify his relations with Albanians for himself in the beginning, later some of these relations evolved into friendships. Respondent #2 believes it would have been a lot better for reconciliation if all the money from reconciliation projects had been invested into the old mine in the north and factory in the south, the mining complex called Trepça. In this scenario people from the different ethnic groups would need to work together to earn money and this is why he believes it would work as a mechanism for improving relations: people would get to know each other on a personal level. He is curious why the international community never organized a joined company in Kosovo (meaning with both Albanian and Serbian employees). He points out that Germany and France were never forced to reconcile after the second world war but reconciliation happened anyway, and very fast, because it was in their best interest (respondent #2). The Albanian director of an NGO noted that although all Serbs do not recognize the

Albanian government, they do show up to meetings if there are talks about something that could be beneficial to them, like the improvement of roads (respondent #3). Respondent #17, an Albanian living in Mitrovica North says: "*Safe and careful*". He is convinced that if there is mutual interest then dealing with Serbs is completely safe. He gives an example of Albanian 'builders' (construction workers), who are hired by Serbs in North Mitrovica because they are better and cheaper than Serbs. These Albanians are well known in North Mitrovica: they are recognized in the streets and everyone knows they are Albanians but they are completely safe (Respondent #17). Respondent #2 also illustrated this: one of his family members is a Serbian extreme nationalist, but still hires the Albanian 'builders' because they are cheaper. This whole phenomenon is summarised in one sentence by respondent #15: "*When money is involved no one cares about politics*".

This effect of "money over politics" is what makes inter-ethnic trade possible. The most visible form of inter-ethnic trade in Mitrovica is happening at a market in Bošnjačka Mahala, an area located in Mitrovica North near the bridge and the river Ibar. Many minorities live there, most notably Bosniaks and also many Albanians. It's an area known for violent incidents in the past. Respondent #17, an Albanian living in Bošnjačka Mahala, says Serbs control that area nowadays: they pick up garbage, for example. This doesn't really cause problems according to him. Until 2003 there really were issues, but not anymore. About the market he says: "*The only inter ethnic cooperation in Mitrovica is trade*. But the market is controlled by a small group of Serbs who have the power to forbid it whenever it suits them (respondent #17). Many Serbs go to the market however to buy certain things from Albanians or other ethnic groups because it is cheaper (field notes), and when it's cheaper the conflict does not matter so much. There are examples of this as well in South Mitrovica. All Albanian brides go to the north for flowers, for example, because there is a flower shop which is known to be the best in town (respondent #3). Another example is how some more radical Albanians tried to boycott all Serbian products. This didn't work because those Serbian products were cheaper and better than the Albanian alternatives so Albanians were against the boycott (respondent #2). These cases show again how personal interest, most often related to money, has the power to bridge the ethnic divide. This does not mean people will suddenly like each other but it does create conditions under which people will at least cooperate and interact peacefully.

The Albanian director of an NGO aimed at creating businesses and increasing cooperation (respondent #15) believes people need an extra motivation to work with each other, and this motivation is money. "*Someone has an interest in bringing Albanians and Serbs together, some others in keeping them apart. They (Serbs) have to be pushed to work together (with Albanians)*". Since the independence cooperation has decreased, he mentions, but if the Serbian community sees they have no other options they will be more willing to work together, he believes. Because now Serbs have everything for themselves so there is no need to work with Albanians (respondent #15). To achieve this he believes in subsidies for businesses with conditions. People get money to start a business, but only if they will also hire members of the other ethnic group as well. He

believes inter-ethnic trade will improve relations and that Albanians would not care to hire Serbs if they get some reward for it (respondent #15). Regarding his subsidies argument I have to add that according to research conducted by CARE in 2006 this does not work. Subsidies cannot be used to improve relations because it's a form of positive discrimination which is in the case of Kosovo - where jobs are so scarce - negative discrimination for the other ethnic group and this only increases tensions. Additionally, it again gives the local population the idea that they are being forced into liking each other, which should be avoided.

Trade does not have the disadvantages which subsidies for cooperation have, because it does not rely on (positive) discrimination nor is it being forced by anyone. There is a lot of trade happening between Albanians and Serbs in Mitrovica, something one might not expect based on the animosity between the two ethnic groups. The importance of money, especially in a poor region, creates a special place for trade. Especially because the "the rules of the inter-ethnic game" which were shown to greatly hinder contact are also influenced by the power of money. Although these intra-community rules do also hinder trade, they are less strict in this area. Trade or economic cooperation in general, is one of the few activities in which inter-ethnic contact is allowed. Socialising with members of the other ethnic group may still be forbidden, but when money is involved these rules change, or at least bend. When respondent #2 started working with Albanians his friends and family didn't care because it was for a job: "*everybody understands you have to make money*". Although it is more or less allowed to have contact with the other ethnicity for trade or other money-making activities this is still done mostly in secrecy. This becomes clear from my interviews with the traders. An Albanian trader from south Mitrovica keeps everything hidden from his family and most friends, only his best friends know he is trading with Serbs. The reason he gives for this is that people can talk, and that can have "*bad consequences*" (respondent #7). A Serb trader tells about the same problems, the reaction from the environment was very difficult in the beginning. "*It was not accepted to deal with Albanians*" (respondent #6). The Albanians he worked with faced the same problems with their own community he noted. Nowadays it's less of a problem but still not very easy.

In this paragraph it was shown how money in the extremely poor region of Mitrovica is of such importance that it makes inter-ethnic trade possible despite all the incentives not to engage into contact with "the other". The take of local traders on this will be discussed in the next paragraph.

6.2. The traders.

The stories of three Mitrovica-based traders will be told in this paragraph. Earlier in this thesis the troubles with finding traders to interview have been discussed as well as the difficulties that arose when asking the traders for sensitive information about their relations with traders of the other ethnic group. Each trader's individual story will be told here so that it is easier to understand them in their context. After these three stories there will be a short conclusion in which some points of attention will be highlighted.

Trader 1.

Respondent #5, a Serb living in Mitrovica North, has been trading with Albanians since before the war. He deals in computer equipment and accessories. He tells that Albanians mostly buy computer equipment of Serbs because it's cheaper. Relations remained intact during the war although it was more robbing than trading, he says jokingly. When his current shop opened in 2003 he immediately started to trade with Albanians again because he still had those contacts. He does not want to answer my question about his relations with Albanians: *"you're asking about politics and not my business"*. He closes the subject by saying that there are good and bad people everywhere, it doesn't matter which ethnicity they belong to. He uses all sorts of communication forms with his Albanian colleagues. Telephone, email, and meeting in person. When they meet in person his Albanian colleague comes to Mitrovica north and they eat and drink together. His Albanian colleague comes to North because he likes pork meat and that is not available in Mitrovica south. Although he would never say it, he seemed to imply that his relations with his colleagues are not bad.

Trader 2.

Respondent #6 is also a Serb living in Mitrovica North, he is a distributor of goods in Kosovo, at some point he supplied all mineral water and Pepsi cola for Kosovo he says proudly. He has been in the business of trading and distributing for 24 years. His first trade relations with Albanians developed in 2000, one year after the war. The reason for this was money. He explains that Kosovo was then a vacuum where no tax rules applied so it was very cheap to buy from Albanians. This changed after a few years but it is still profitable to trade with Albanians. He buys as well as sells products from/to them.

In the beginning he felt bad about trading with Albanians but this feeling went away after a while. He says that the most difficult part for him was the reaction from his environment. It was not accepted to deal with Albanians. The Albanians he worked with faced the same problems with their own community. They only dealt with middle-persons, so he did not engage in direct contact with Albanians himself. This changed though, and now he often meets with his Albanian colleagues. The reaction from the community has also changed nowadays, it is more accepted now. Respondent #6 believes that the only explanation for this is that it is 10 years after the war: *"Time passed"*. Even though it is now more or less accepted to deal with Albanians, especially because everyone understands that you have to make money, it is still not easy. When he meets with his Albanian colleges this is still done in secret. They meet however, and also for informal contact. They talk about different things than just business. Respondent #6 is quick to point out that this informal talk is still relevant for business and that this the only reason why it is done. It is important to have each other's respect for business, he says. His relations with Albanians didn't change at all because he keeps emotions away from business. Contact is purely from a business motivation and emotions do not play a role in it. He does not want to elaborate further on his views on Albanians.

Trader 3.

Respondent #7, an Albanian lived in Mitrovica his entire life, always on the south part. He trades anything – anything there is a market for – but mostly mobile phones. He gets contacts from his friends and he also has connections from before the war, because *“back then Mitrovica was still mixed, so I knew a lot of Serbs”*. He started trading in 2001, this same year Serbs contacted him if he wanted to do trade with them, and that’s how it started. Respondent #7 explains that he had good contact with Serbs before the war. After the war these contacts stayed but became trade contacts. According to him it is very hard to trade with Serbs because you need the connections. You need these connections not only to engage in trade but also not to be attacked by them. Because often Albanians who go to the north of Mitrovica are attacked. He believes trading is safe though, because there is mutual interest. He feels good about trading with Serbs, because he makes money. Earning money makes him feel good about himself.

Respondent #7 believes he feels the same way about Serbs as all other Albanians: he just has to work with Serbs because he needs the money, he feels that he has no other options. When making money, he doesn’t care about the war. In business he trusts Serbs, he has good relations with them and so far they haven’t led him down, *“they don’t lie”*. It is easy to work with them if you keep your word. Outside trade however he doesn’t trust them. *“If they don’t have interest they don’t care about you”*. He says he is afraid he would be attacked by Serbs if they wouldn’t have any interest in him anymore. When I ask why he believes this he says that this happened before to other Albanians that used to be trading with Serbs. He cannot give an example of one of these incidents though. According to him Albanians are different than Serbs in this, they wouldn’t attack Serbs, *“because Albanians have a different mentality”*. Respondent #7 believes that in the future trade between Albanians and Serbs will disappear. Now people only trade with Serbs because they have no other options. He, and he believes all other traders as well, would prefer to have a different job or different trade. But lack of options drives them to trade with Serbs. He says that most Albanians he knows who are trading with Serbs still don’t like them but there are also exceptions. He tells of an Albanian trader who married a Serbian woman a few years ago, which he met through his trade contacts. Also, a lot of contact is happening at the petrol station, but not legal.

Short conclusion

The most important information to take from this is at the same time the hardest to really say something about: have traders through their profession developed more positive relations with "the other"? This is a difficult question to answer because all traders went to great lengths to avoid answering this. From their answers some things can be concluded though. First, trade requires trust and this is present in their relationships with their colleagues across the river. Second, they socialise. This social contact is linked to doing business but it shows they have contact on a personal level. To me, these conditions - trust and personal interaction - would seem to be good starting points for building peaceful relations.

6.3. Opinions of people not directly involved in trade.

People, both local as well as international not directly involved in trade but with some expertise on it were more positive than the traders themselves about the possibility of trade to improve relations. None of them believed trade between Albanians and Serbs would have a negative effect on their relations and everyone who had something to say about it believed trade would have a positive effect. Much of their opinions have already been discussed during the result sections of this thesis, and the rest will be discussed in this paragraph.

The Albanian director of an NGO aimed at helping youth in Kosovo start their own business believes that inter-ethnic trade in Mitrovica improves relations in the long run. *"It starts with basic trust in trade, but slowly this trust would extend to more personal feelings as well"*. He says that right now business is the only link and only thing where inter-ethnic contact takes place and that is why he believes this really needs to be promoted (Respondent #8). Another director of an NGO shares the same opinion: *"Right now the relations between Albanians and Serbs are still very bad, there is much hatred and this probably became worse after the independence. Reconciliation should be build by working together and communication. But a big force is required to bring these two groups together, and this big force is economic interest"* (Respondent #15).

Respondent #13, an international who worked on reconciliation projects in Kosovo for the past 8 years agrees: *"Inter ethnic trade can definitely lead to reconciliation"*. To illustrate this he gives the example of the European Union: the EU still took 40 years for political integrations and it's basis was economic integration and interdependence. There are differences though, as after WWII everyone agreed: "never again". In Kosovo this consensus doesn't exist. But still, on a small scale it would work he explains as he gives some examples of small but successful NGO projects aimed at this. *"The NGO Worldvision organized something with hotdogs: Albanian bread - Serbian meat, which worked well"*. Also there are plans with Saffron, which is the most expensive spice in the world (per weight unit). Apparently conditions for growing Saffron are very good in Kosovo but in order to be profitable you need large fields to be able to offer a high enough quantity to the buyer. So the 50 Albanian farmers would need to include Serbs to attract international buyers. *"Trade will be superficial contact but there will be no conflict. Cooperation will then be a part of life without, and for the young generations: without the experience of war"*. To this he adds that (economic) motivators are not enough, as you need the will of the people in order to achieve better inter-ethnic relations and for this an active civil society is needed (respondent #13). Respondent #16, a Serb from Mitrovica north was of all my respondents the most sceptical about the possibility of good relations between Albanians and Serbs. But even he was positive about trade, and said the only good cooperation is happening at the market. *"All reconciliation is bullshit, only good cooperation is in trade"* (Respondent #16).

Respondent #17, an Albanian living in Mitrovica north believes that there is progress in the trade sector which leads to an improvement of inter-ethnic relations there. This happens because trade facilitates contacts and this inter-ethnic contact helps making people "more relaxed". To illustrate this he tells a story about the

daughter of his sister who went to a hospital in Belgrade, which was made possible through one of his Serbs contacts. Respondent #17 continues: *“if you work together you don't have to love each other, but at least you can live in peace. When you live in peace you build trust. People start generalizing because of lack of education and contact. Lack of these two factors make it also easier to be manipulated to become radical. If you have a job you don't have time to become radical”*.

6.4. What the international community can do.

Almost everyone I spoke to in Kosovo during my research was positive about the notion of inter-ethnic trade improving relations between Albanians and Serbs in Kosovo. This includes local Albanians and Serbs as well as members of the international community. Some people believed it would greatly improve relations, while others thought it would not make that much of a difference. This last opinion however, was quite rare. Even rarer, to the extent that I never heard it, was the opinion that inter-ethnic trade would make relations worse. Since there is a very big consensus that inter-ethnic trade has the potential to improve relations between Albanians and Serbs, and there's also a consensus that more traditional reconciliation programmes have failed at their goals, promoting inter-ethnic trade could perhaps be an alternative for more traditional reconciliation programmes. During the interviews some people spoke about what they believed could be done to benefit inter-ethnic trade and relations in Mitrovica. Which will be discussed in this paragraph.

First, to kick in an open door: the economy of Kosovo needs to be improved. Now, improving the economy of Kosovo is already a goal of the international community. I would like to argue here that this priority might even need to go up because it means more than just a higher standard of living for the local population: it means better inter-ethnic relations.

Regarding inter-ethnic trade, the international community should probably not do too much. People do not want to be “forced” to like the other ethnic group, and want to go through this process of rebuilding their relations with the other ethnic group themselves. The beautiful thing about inter-ethnic trade is that this is not something put there by the international community, but something that arose from the local population, and is given form in a way that suits the situation now best. In Mitrovica the international community already tried stimulating the inter-ethnic market place there by building an official marketplace. This was a failure, people just moved to another location to do their trade there. The international community even build 2 extra market places after that which were also failures (respondent #2). *“The economy can mean a lot (for improving relations) but it must not be forced”* (respondent #2).

Respondent #15 has a different opinion on this as he believes it would be a good idea to give subsidies to companies who hire members of the other ethnicity. This idea was already mentioned during this results section. This Albanian director of an NGO believed Albanians would not care so much to hire Serbs as long as they get a reward for it. It is of my opinion though, that subsidies would be a bad idea, because this could

also increase tensions. If jobs are scarce and members of the other ethnic group get your job not because they are better but because of a subsidy, that can create frustrations. Also, there have been experiments with this in the past in Kosovo with generally bad results. Subsidies did not lead to more contact, people found a way around the rules to still get the money but not have to work together, and it even increased frustrations towards the international community (CARE, 2006). *“The barrier however for reintegrating Serbs through this tactic (subsidies) is that the process is uncontrollable. This is because of the market economy. In a market economy you cannot have too many rules and it will just progress in the way that is most beneficial to the actors in it”* (respondent #8).

A high ranking member of the economical and fiscal unit of the International Civilian Office (ICO), had some very pragmatic ideas about what the international community can do. He is of the opinion that the government should try not to harm the trade and should put the smuggling into a legal framework. *“There is a lot of trade happening between Kosovo and Serbia. The government could help by doing everything in its power not to harm this trade. The ‘invisible hand’ cannot be guided, it can only be not obstructed. Economic activity can improve relationships between ethnicities. With regard to smuggling, this kind of trade should be put into a legal framework, rather than destroyed”* (respondent #11). More people I interviewed said the same thing, such as Respondent #8, the Albanian director of an NGO aimed at stimulating youth in the business sector. About Mitrovica he said that although currently much trade is very illegal, he believes that if the government and IC could create a legal framework especially for Mitrovica they would be able to pull it out of this grey zone it is in now and this would create opportunities for both sides. He believes that the inter-ethnic trade in Mitrovica improves relations in the long run. It starts with basic trust in trade, but slowly this trust would extend to more personal feelings as well (respondent #8).

So, there is some consensus that traders should be left alone, and perhaps the rules could be adjusted in Kosovo, or only in the strange border area of Kosovo north specially to make the trade more legal. If this would be done the consequences should be considered carefully. If trade would become more legal, it could also become less profitable for example. Perhaps a "policy of tolerance" could serve as a temporal solution here. The term basically means it is still illegal but it will not be prosecuted. This way the traders would be left alone but the government would still be in control.

It was just discussed how some people believe some extra rules should be introduced to make the illegal trade more legal and not hinder it. Respondent #2 saw it a bit differently as he blames the high amount of illegal trade on the difficulty of the current rules for trade. He said the rules need to be made easier and complained that right now it is still nearly impossible for companies to work in northern Kosovo. Partly because paperwork from south Mitrovica is needed which is hard because their poor administration and the legal conflicts between the two governments (Serbian and Albanian). It is much easier to work in the grey economy. The barrier is too big for the legal economy, also the language is an issue next to the administration

issues. On top of that you have to pay both Serbian and Albanian taxes. It's too much to pay both (Respondent #2).

Besides making the rules for trade easier and/or creating a legal framework, trade might be stimulated by creating dependencies. Respondent #2 believes the international community has to create a need on both sides of the Ibar to stimulate inter-ethnic trade. There has to be something to gain on "the other side". Perhaps the international community can instead of subsidising inter-ethnic cooperation directly, subsidise certain industries in specific areas to create mutual dependency in Kosovo. For example subsidise wheat farms in Albanian areas and a flower factory in a Serbian area. I was told this tactic was also used by Tito to create dependencies within Yugoslavia (field notes).

Last but not least is the Trepça mining complex, which several people mentioned as a possible area of cooperation. With its mines located in north Mitrovica and its factories in south Mitrovica this mining industry could become a place of daily interaction between both communities as well as a source of economic growth for the entire area. Sadly, Trepça's future is at the moment still very unclear as it is uncertain to what extent the huge mineral deposits can be profitably mined. *"The Trepce facilities are divided on both sides of the Ibar and Brezovica just needs a lot of investments, just like Trepce by the way. The latter also has environmental issues, unclarity on structures, liabilities, unskilled workforce, outdated materials etc"* (Respondent #11).

CHAPTER 7: CONCLUSION

"As far as Danijela is concerned, it is self-interest and, in particular, the lure of business that will eventually coax Serbs out of their ghetto and into a more integrated existence with their ethnic-Albanian neighbours. "Nobody can live in isolation for ever," she insists. "To improve our living standards, Serbs will start trading more. And naturally, opening of the market is going to open the minds of people." "We will stop thinking about ethnicities, stop dividing ourselves as we are divided now," she adds".
-BBC News, 29 July 2009²²

From the research results I conclude that inter-ethnic trade does have the potential to improve relations between Albanians and Serbs in the long run. These last few words may sound pessimistic, but are in fact the strength of trade over more traditional reconciliation methods. It has been described how so far reconciliation programmes have failed at achieving results, mainly because of the negativity of the local population regarding them and their short run. These obstacles are both avoided by inter-ethnic trade. People have no negative attitudes against trade as everyone understands the need to make money. Improving the relations between two ethnic groups who experienced decades of hostility between them and most notably a civil war should be expected to last very long. Since reconciliation programmes only last for a short period this is one of the reasons for lack of success. Trade however, generally builds relations that last for many years. This can be seen by the fact that all three traders interviewed had been trading for over 8 years with “the other”, despite the difficult circumstances. As both local as well as international experts told me: trade builds prolonged contact and trust. Trust is the most lacking aspect in inter-ethnic relations right now. Trade requires trust, because without trust you cannot successfully engage in trade for a longer period of time. This can be seen by the responses by traders, they all completely trusted their counterparts on the other side of the river, at least within trade. Both locals and internationals believed that this trade - which comes down to prolonged friendly contact in a trusting environment – would improve inter-ethnic relations over a longer period of time. It would allow people to see that peaceful relations are possible and this can slowly decrease the enemy image people currently have of “the other”. Whether or not these traders still hate each other based on each other's ethnicity is in this sense not even that relevant – beneficial trade relations make sure they keep relations peaceful. It is unlikely that the traders hate each other however, although it is difficult to say much about this because of my lack of data on the attitudes of traders regarding their colleagues since they simply did not want to answer this question. It seemed that relations were not bad, as two of the three traders admitted to socialising with their colleagues, despite the risk of sanctions from their own community. It is certainly a possibility that the traders did not want to answer the question regarding their attitudes

²² BBC News. Isolation fear grips Kosovo Serbs, by Paul Moss. 29 July 2009. Visited on 24-10-2009.
<http://news.bbc.co.uk/2/hi/europe/8172537.stm>

towards their colleagues of the other ethnic group because of the feared negative reaction by their own community. It seems to me they had several options in answering this question: 1. saying that they still hate “them”, whether this is the truth or a lie it would be the safest answer. 2. saying that they have positive attitudes towards “the other”, this would be the least safe answer. Or 3. not answering the question, which is what generally happened. So, it is at least curious they did not all go for answer 1.

Also, most of the other locals I interviewed who had contacts with members of the other ethnic group over longer periods of time reported that their relations and views of the other ethnicity improved during this process. This is another argument that leads me to conclude that it is at least plausible that inter-ethnic trade can improve individual relations over a longer period of time. There seems to be no reason to believe so far that sustained inter-ethnic contact through trade leads to worse individual relations. In short, on a community level inter-ethnic trade can demonstrate peaceful relations and build trust which is believed to have a positive impact on inter-ethnic relations if sustained over a longer period of time. On an individual level, it is plausible to believe trade could also improve the attitudes of traders themselves. In both cases it seems unlikely that there are negative effects of this legal or grey trade.

Inter-ethnic trade is heavily influenced by the “rules of the inter-ethnic game” - the inter-community rules forbidding contact with “the other” - which limits it to something best not done out in the open. At the same time inter-ethnic trade has been able to stretch these rules. Generally it is accepted now if people engage in inter-ethnic contact to make money. As long as it is not too visible traders do not have to fear punishment by their own community. It is likely that this loosening of the rules has not much to do with trade itself, as one trader put it: it's only because time passed since the war. Without trade however, there would still be barely any contact. If trade dies, so will contact die. It is possible that, as traders are to some extent the pioneers of re-established inter-ethnic contact (there are also some others, such as people working at NGOs, but this happens on a much smaller scale in Mitrovica), their contact could be an example to the rest of the population who because of this will slowly grow more accustomed to people having contact with “the other”. This, in turn, could lead to a greater relaxation of the “rules of the inter-ethnic game”. Which would be a very positive development as these rules obviously have a very negative impact on inter-ethnic relations.

It must also be noted that trade relationships seem to be more robust than any of the other inter-ethnic relations. Many people reported that during the massive riots of 2004 much joint projects were destroyed, and the same thing happened with Kosovo's declaration of independence when many Serbs quit their jobs at international or multi-ethnic organisations. During and after these events, which put a huge strain on inter-ethnic relations, trade relations remained intact. This shows that these trade relations are quite strong and either through mutual trust or interest can withstand a national crisis.

Another find was that different groups: local traders, locals working at NGO's or IGO's or internationals had

different opinions on the peace inducing effects of trade. Most notably, traders themselves were the most negative. They were the ones to stress that it is really only about money, no personal feelings were involved and it doesn't change anything. Locals who worked at local NGO's or IGO's did all believe trade would improve relations, but at the same time were often quite sceptical of the need to improve relations and the extent to which this was possible. Most did not believe in integration and their interpretation of improving inter-ethnic relations was along the lines of less violence, living in peace and leaving each other alone. The internationals who were interviewed also all agreed that trade could improve relations but were a bit more sceptical of this than the locals. They did however hold to a more extensive version of "better relations" which in their eyes often included reintegration. To this it must be added that most internationals who work or had worked in Mitrovica believed improving relations between the two ethnic groups there would be nearly impossible at the moment, stressing that this should start in less difficult areas.

These views of held by the different groups seem to make sense. Internationals did not experience the violent conflict themselves, nor are they involved in the ongoing political conflict about Kosovo's territory, or do they live in a community which generally sees the other ethnic group as the enemy. For them it's easier to just see the ethnic animosity as something comparable to racism or ethnocentrism which is also present among some individuals and groups in Europe or the United States. Locals, on the other hand, see no reason why they would want to live with their (former) enemies and are therefore more sceptical of ideas like integration. Traders are in an even different position because they are already on the margins of what is allowed under the "rules of the inter-ethnic game" regarding contact, and therefore have to be extra careful not to be seen as a "traitor", or anything like that. From these different opinions should be concluded that the western view of 'reconciliation' is perhaps too optimistic and we should therefore start aiming at just "peaceful relations". There should also be more attention for this division in attitudes between locals and internationals regarding inter-ethnic relations because now it seems as if western ideals are placed on an society where they – at least for now – will not fit.

The north of Kosovo has a reputation of being lawless area with much criminal activities going on²³. A part of these illegal activities lie in inter-ethnic trade as well. The criminals engaging in this illegal trade benefit from the current destabilised condition of the north of Kosovo and because of this contribute to it. On top of that they have ties with radical politicians and other people in power who obstruct an improvement of inter-ethnic relations. Although the majority of people suffer under the current situation in Mitrovica, this small minority benefits from it and will do anything in their power to make sure nothing changes. It is clear that this illegal part of inter-ethnic trade only damages inter-ethnic relations, and therefore a distinction has to be made between legal, grey and illegal trade. This illegal part of inter-ethnic trade was not part of my studies, partly because of obvious safety concerns. This means I cannot elaborate on it further, but it should be clear

²³ NRC Handelsblad 18-09-2008. 'Noord Kosovo is een wetteloze jungle'.
http://www.nrc.nl/nieuwsthema/kosovo/article1988721.ece/Noord-Kosovo_is_een_wetteloze_jungle

that even if the legal or the grey part of inter-ethnic trade can have a positive influence on relations between Albanians and Serbs in Mitrovica, this seems not to be the case for illegal trade under these conditions. In an ideal situation there should be much more monitoring of trade and especially illegal trade, with people engaging in these illegal activities and promoting hostile relations sentenced and prosecuted. This is a far stretch from reality though.

To continue on this, the illegal trade is closely tied with politics. Politics are at the moment (and for the past 30 years) probably the most responsible for Kosovo's terrible inter-ethnic relations. It is nearly impossible to build better inter-ethnic relations in a society where there is still a political conflict raging and politicians throw extra oil on the fire in order to win votes or benefit their criminal activities. Even if better relations are established over the years, these can still be destroyed because of political reasons. For example, both after the riots of 2004 and the declaration of independence NGO's working on inter-ethnic relations reported they had to start over from scratch after years of work. It has been demonstrated that trade-links remain during these crisis, but the impact on inter-ethnic relations remains severely damaging. This situation can perhaps only be solved when the local population sees that there is more to gain for them by cooperation than conflict. This is now slowly happening in the Serbian enclaves south of the river Ibar. Belgrade's influence is less strong there and the conflict over territory which is still happening every day in Mitrovica has been already lost in these enclaves. Serbs from these enclaves have a reputation of being much more open to cooperation which demonstrates the influence of politics, but also that if one wants to improve Kosovo's inter-ethnic relations this would be the place to start, not Mitrovica.

This thesis and the three months of research conducted for it were an exploration into a practical application of the "trade brings peace" part of the Kantian peace theory, applied to ethnic groups: a subject of which little is known so far. With the explosive "growth" of intrastate conflicts – often with an ethnic character – since the end of the cold war it is time that the "trade brings peace" theory also expands into this area. The results from this thesis are far from conclusive but offer some indication that pacific properties of trade are also present in trade between ethnic groups within a state, not just between states. It would benefit such research greatly if it would be conducted in less volatile areas though, where people are more free to discuss trade openly. Complicated factors such as the heavy influence of politics in Mitrovica also made it harder to find conclusive indicators for or against the pacifying effects of trade. In short: there are better locations than Mitrovica to test the "trade brings peace" claim on ethnic groups.

Nevertheless, I believe this research has contributed to expanding on the trade aspect of the Kantian peace theory. It shows that there are plenty of indicators that the "trade brings peace" argument can be extended from states to ethnic groups within states. First, the main argument of the "trade brings peace" theory is that it creates interdependence. States which are dependent of each other loose more when they go to war than states which are not. The same seems to go for persons, be it in a different form. While it is generally very

unsafe for Albanians to go into Mitrovica north I was told on several occasions that the Albanian construction workers are completely safe there. The Serbian majority is dependent on them for cheap and skilled labour. The same goes for trade, within trade contact is completely safe: they need each other for their jobs. This is interdependence.

Some authors have argued that it is hard to determine causality regarding the trade part of the Kantian peace theory. Do states have good relations because they engage in trade or do they engage in trade because they have or pursue good relations? While their argument stands, the Kosovo-Serbia relation is a quite interesting case in this. Keshk, Pollins & Reuveny (2004) argument that levels of trade are only high between states because those states have good relations does not fly for the relations between Serbia and Kosovo. The relations between the government in Belgrade and the government in Pristina are bad, to put it mildly. Serbia is even actively promoting bad relations with the government in Pristina, mainly aimed at denying its (legal) existence. The trade flows between the two territories are huge though, and based on these Serbia can be considered to be Kosovo's largest trading partner. So despite the efforts of both governments not to engage in any kind of relations, on the ground this situation is completely different. People engage in trade contact on a large scale. It is unclear to what extent this is inter-ethnic contact because many Albanians are living in Serbia proper and many Serbs are living in Kosovo, but this is irrelevant for my argument here. The point I'm trying to make is that on a state level the Kantian peace theory does not apply at all on the relationship between Kosovo and Serbia, no matter which direction of causality is considered. This is another argument for my case that the Kantian peace theory needs to be expanded to the micro level instead of merely focussing on the macro level. While on a macro level the situation is opposite of what the trade aspect of the Kantian peace theory predicts (terrible inter-state relations combined with very high levels of trade) on a micro level there seem to be plenty of indicators that the same theory does apply, which was demonstrated in the results section. Of course, the inter-ethnic relations on the ground are almost as bad as the inter-state relations but traders are the exception here as they seem to be operating under peaceful conditions, while trusting their colleagues of the other ethnic group in their business. In short, what is happening on a state or macro level is very different from what is happening on an individual or micro level, especially in Mitrovica. This is an area where the Kantian peace theory can be expanded because not only does this lower layer provide extra information, it can also provide completely new applications for this theory such as inter-ethnic trust building, for example.

So far the purely economic argument. During the theoretical framework it has been discussed how Blanton (2006) argues that trade is more than just trade flows. His argument was targeted at the Kantian peace theory and therefore he was referring to states, which is why it not entirely applicable to this thesis and research. But out of his four points three can be directly related to inter-ethnic trade as well: First, inter-ethnic trade also encourages the trading and sharing of information as well as transparency between parties. This can be seen by the example of traders calling and checking up on each other, even during the crisis with the riots of

2004. Second, Blanton argues that "*Trade creates expectations of compliance and willingness across a group of states*". That this also applies to inter-ethnic trade between individuals can be seen by such quotes from traders as "*so far they haven't led me down*" and "*they don't lie*" as well as the reported levels of trust present between traders. Third, "*Trade has cultural externalities*" (Blanton, 2006), seems also applicable to inter-ethnic trade in Mitrovica. There is social interaction between these traders of different ethnic and religious backgrounds, although little details are known about this. But I believe one prime example of this would be the trader who told me that his Albanian colleague comes to north-Mitrovica to eat pork meat with him. Blanton's fourth point "*Trade encourages the broader expansion of economic ties.*" could also be valid for inter-ethnic trade but I simply have a lack of information to judge this.

All these points would contribute to the establishment of a security community according to Blanton. As a security community can refer to groups as well as states, I would argue that these three points are three indicators more that the Kantian peace theory can be applied to inter-ethnic groups and Albanian and Serbian traders in Mitrovica specifically.

My last argument for expanding the Kantian peace theory is that this theory is already applied in policies on a micro level (Andreas, 2004), without any evidence. Because the "trade brings peace" argument is so well known, and perhaps even embedded in the cultural mindset of many individuals from western-capitalist societies it is almost automatically applied by some policy makers. When applied to relations between states this is very legit, because of the obvious scientific support for the theory. When applied on ethnic groups this is more dangerous because of the complete lack on scientific information on the subject. This calls for a thorough investigation of the "trade brings peace" argument applied to ethnic groups because of two reasons. First, The theory already being applied in this context shows that it has practical use. Second, the effectiveness of policies should be tested whenever possible because it could lead to more effective decision making. In relation to Kosovo and other criminalised economies (which are especially in conflict-studies not a rare occurrence) extra attention should be given to illegal trade because it's effects could be very different from its legal counterpart.

If more research would find that trade between ethnic groups can indeed improve relations this would have important policy implications for Kosovo and would lead to the next question: can trade be promoted, and how? Specific for Kosovo is the dilemma that people are sick of the word 'inter-ethnic' and anything that tries to improve relations. This is one of the reasons subsidising cooperation has failed. People would just find a way to get the money but not have to work together, apart from this it also frustrated them because again they were feeling forced to like their enemies (CARE, 2006). Second is an more general economic argument, worded by one of my respondents "*The invisible hand cannot be guided, only obstructed*". The market cannot be controlled, people will go where the money goes so promotion of trade directly will be very difficult. People will go where there is money to be gained. If there is nothing to be gained no amount of promotion will help. If there is something to be gained, no promotion is needed. So, a direct promotion of

inter-ethnic trade is probably not possible. An indirect promotion could be possible. Since Kosovo needs economic investments to restart its failing economy, perhaps an ethnic map could be in the back of the head of policy makers who decide over these issues. If certain industries are created or stimulated that are dependent on each other in different ethnic majority areas this could lead to more inter-ethnic cooperation, for example. It would be too early now for extensive policies though, as the evidence from this thesis is not conclusive and more research has to be conducted.

Regarding Kosovo, for now it needs a legal framework for trade so not too much of it is destroyed but only the most malicious and criminal elements are removed. As trade is currently one of the few instances of genuine contact between Albanians and Serbs in Mitrovica it should be harmed as little as possible.

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