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The Review of International Affairs

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National Security Strategies of Russia (2009) and the United States (2010): A New Stage in the Reproduction of Incompatible National Identities[2]

ABSTRACT

The author carries out comparative analysis of the national security strategies of Russia (2009) and the United States (2010), to show how they serve in the reproduction of the two states' incompatible national identities. This incompatibility is the main cause of Russia and the United States' inability for real rapprochement, including the most recent attempt during the period of the adoption of these documents. The theoretical framework of the analysis is David Campbell's performative theory, which considers foreign policy (including the adoption of foreign policy documents) as the central practice in constitution and reproduction of national identity. The analysis of the United States and Russia's identities and their foreign policies shows that they are incompatible in many respects, which makes the two powers see each other as a threat in a globalized world. The conclusion of the most recent national security strategies' comparative analysis in relation to values, threats and means is that they are only a new stage in the process of this incompatibility reproduction. The real rapprochement between Russia and the United States will become possible only

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when they find a way to establish a common identity, based on a common view of some external threat.

Key words: National Security Strategy, comparative analysis, national identity, performative theory, the United States, Russia.

Introduction

In March Geneva, Hillary Clinton — for the first time as Secretary of State — met her Russian counterpart Sergei Lavrov. The meeting was aimed at marking the beginning of a new trend towards the improvement of the two countries' relations, after they hit an all-time low in the post-Cold War period due to the 2008 Russian-Georgian War. The intention of the new U.S. (Barack Obama's) administration to offer Russians a new beginning in mutual relations was expressed by the computer phrase "reset" first used by Vice-President Joe Biden. Clinton used the Geneva meeting as an opportunity for a symbolic move — to give Lavrov an unusual present, a red button on a yellow box, which had the word "reset" written in both the English and Russian. The problem was a misspelled Russian word — instead of "*perezagruzka*" (a Russian translation of "reset"), it read "*peregruzka*", which means "overload". Immediately after he unwrapped the gift, with a smile on his face, Lavrov drew his colleague's attention to the mistake.[3] The aftermath showed that this unintentional mistake, in a symbolic way, anticipated the fate of this most recent attempt of rapprochement between the two powers. It was short-lived and ended in failure, being followed by a new stage of strained mutual relations that Russia and the United States are currently going through.

It is beyond question that the 2009-2011 period brought some important achievements regarding the improvement in relations of the two states. To mention a few of them would suffice: forging cooperation regarding the conflict in Afghanistan; a common position towards the Iranian nuclear programme; opening the European security dialogue under the auspices of the OSCE; Russia's WTO accession; and, maybe the most important, the signing and ratification of the New START, the latest in a series of bilateral treaties on strategic nuclear arms reduction. Moreover, this period brought a cooperative spirit to a level which had been absent in U.S.-Russian relations since the short period that followed the collapse of the Soviet Union. However, this "honeymoon" lasted only for about two years. During 2011, some of the achievements mentioned above were called into question, while several new sources of discord appeared. It can be claimed that the immediate causes of the reversal in the positive trend in the two countries' relations were the "Arab spring" and the negative Russian reaction to the

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[3] "Clinton and Lavrov hit the 'peregruzka' button", *RT,* Internet, http://rt.com/usa/news/clinton-and-lavrov-hit-the-peregruzka-button/ 18/9/2012.

continuation of the American practice of intervention in the internal affairs of other states for a regime change, as well as U.S. resolve to unilaterally build an anti-missile shield in Eastern Europe. Nevertheless, as this is only one more in a series of several failed attempts of Russian-American rapprochement in recent history, we should move beyond the immediate causes and look for deeper sources of the renewal in Russian-American rivalry.

The answer to the question about the sources is offered by David Campbell's performative theory. In this paper the argument is offered that the repeated failures of Russian-American rapprochement are the consequence of their essentially incompatible national identities, which are performatively constituted and reproduced through their foreign policy practices. In the 19th century, while Russia and the U.S. were relatively isolated from each other, this incompatibility did not automatically produce rivalry. Only after the technological progress and globalization of international relations lead these two powers to close quarters in a new, single world, did this happen. The process of reproduction of the incompatible identities, through foreign policy practices, was equally at work during the "reset" period. This will be shown by a comparative analysis of two important programmatic documents which were adopted at the height of this period. I am reffering to: National Security Strategy of the Russian Federation to 2020, adopted in May 2009 — a month after the first Obama-Medvedev meeting in London; and National Security Strategy of the United States, adopted in May 2010, soon after the two presidents signed the New START in Prague.

Why these two documents? Because by looking at both states' domestic and foreign policy programmatic documents, it can be concluded that the Strategies occupy the highest position in their respective hierarchy. This way they serve as the best empirical material whose analysis can determine the presence of specific reproduction of national identities in the United States and Russia's foreign policies. It can be added that this is the first genuine effort undertaken to analyze the U.S. and Russia's security strategy comparatively. Currently, there are only separate analyses of either Russia's, or U.S. strategy, and how they compare to the previous documents of the same type in each country also. Nevertheless, a comparative analysis of different states' strategic documents is not new.[4]

The rest of the paper is organized as follows. In the first chapter, the performative theory's basic assumptions are outlined, and then is shown how Campbell himself applied them to the case of the constitution and reproduction of U.S. identity. Then the same theory is applied to the case of Russia, with a

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[4] The best example is Berenskoetter's comparative analysis of U.S. and European security strategy. See Felix Sebastian Berenskoetter, "Mapping the Mind Gap: A Comparison of US and European Security Strategies", *Security Dialogue,* Vol. 36, No. 1, March 2005, pp. 71–92.

little help from the works of the authors who deal with Russian national identity. The first chapter is concluded with a table in which the incompatibilities of the two countries' identities are comparatively displayed. In the second chapter, after a short introduction with the basic information on each of the documents, a comparative analysis of the national security strategies of Russia and the U.S. is carried out, regarding the three aspects of their contents: values, threats and means. This analysis points to the congruence of the Strategies' contents with an already present pattern of incompatible identities reproduction, outlined in the first chapter. In Conclusion, we underline our basic argument that the Strategies are yet another stage in the reproduction of Russia and U.S. incompatible identities; hence, from the performative theory's viewpoint, it was natural to expect that their practical application would also lead to a failure of this rapprochement attempt. The ending paragraph of the paper presents the conditions needed for this incompatibility of the identities to be overcome in the future, so that the establishment of a real partnership and friendly relations between the United States and Russia becomes possible.

Foreign policy of the United States and Russia from the performative theory's perspective — the practice of reproduction of incompatible national identities

Basic assumptions of performative theory. According to Campbell, foreign policy is a distinct practice of drawing boundaries between "inside" and "outside", "self" and "other", as well as "domestic" and "foreign", in the name of the constitution and reproduction of state identity.[5] In foreign policy documents, this identity is being constantly "written" and "rewritten".[6] Contrary to traditional understanding, the identity of a state is not pre-given, but is constituted performatively[7] in relation to difference and threat (which are themselves constituted related to identity): to know who we are, we should know who we are not, and what we should be afraid of.[8] Foreign policy is the

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[5] David Campbell, *Writing Security: United States Foreign Policy and the Politics of Identity,* University of Minnesota Press, Minneapolis, 1992, p. 8.

[6] Ibid, p. 33.

[7] "Performatively" means that "discourses constitute the objects of which they speak". This way performative theory is different to social constructivism, because it puts an emphasis to materialization instead of construction, giving equal importance to both ideational and material side of the discourse, which interact with each other through the continuous process of "citation and recitation". Bialasiewicz, Luiza et al, "Performing Security: The Imaginative Geographies of Current US Strategy", *Political Geography,* 26, 2007, pp. 406-408.

[8] David Campbell, *Writing Security: United States Foreign Policy and the Politics of Identity,* op. cit, p. 54.

central practice here, for it operates with "discourse of danger". This discourse is about interpreting threats to identity which emanate from the alternative models of behavior[9] (both from the outside and the inside) as if they are exclusively external dangers which justify the existence of state, for it is the only actor capable of confronting these dangers.[10] Thus foreign policy is a "double exclusionary" practice: "domestic enemies" — which means social elements on the inside that are holders of these alternative interpretations of identity — are linked to the foreign actors capable of endangering us physically.[11] The boundaries inscribed this way are not purely territorial, but ideational at the same time. Over time they (as well as the identity) get fixed and are later reproduced as such. However, this is a never-ending process, for the absence of threats to identity would render the existence of a state as the mechanism for its protection senseless.[12] Should a state reach absolute security, it would cease to exist, for the challenges which justify the existence of authority and the fields in which its use of force is legitimate would be overcome.[13] On the other hand, the less stable the identity is and the more blurred its boundaries are, the greater is the need for foreign policy,[14] which necessarily contains a moral element — "self" is presented as superior to the "other" in terms of morality and civilisation.[15] If foreign policy fails to play this role, "we" are in danger of becoming like "them".[16] Nevertheless, constitution and reproduction of identity through foreign policy do not have the same contents in every state, because not

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[9] "The mere existence of the alternative mode of being, the presence of which exemplifies that different identities are possible and thus denaturalizes the claim of a particular identity to be *the* true identity, is sometimes enough to produce the understanding of a threat". Ibid, p. 3.

[10] Ibid, p. 75.

[11] Ibid, p. 71.

[12] "...states are never finished as entities... (they are) in permanent need of reproduction: with no ontological status apart from the many and varied practices that constitute their reality, states are (and have to be) always in a process of becoming. For a state to end its practices of representation would be to expose its lack of prediscursive foundations; stasis would be death". Ibid, p. 11.

[13] "The constant articulation of danger through foreign policy is thus not a threat to a state's identity or existence; it is its condition of posibility". Ibid, p. 12.

[14] "The principal impetus behind the location of threats in the external realm comes from the fact that the sovereign domain, for all its identification as a well-ordered and rational entity, is as much a site of ambiguity and indeterminacy as the anarchic realm it is distinguished from". Ibid, p. 70.

[15] Ibid, pp. 85, 100. "The spaces of inside and outside serve to delineate the rational, ordered polity in which good, sane, sober, modest, and civilized 'man' resides, from the dangerous, chaotic and the anarchical realm in which the evil, mad, drunk, arrogant, and savage people are found". (pp. 67-68).

[16] Ibid, p. 66.

all of them lack prediscursive foundations to the same extent, nor do they face the same challenges during this process. This is shown with the examples of the United States and Russia.

Identity and foreign policy of the United States. "No state possesses a prediscursive, stable identity… Yet for no state is this condition as central as it is for America. If all states are 'imagined communities', devoid of ontological being apart from the many and varied practices which constitute their reality, then America is the imagined community *par excellence*. For there never has been a country called 'America', nor a people known as 'Americans', from whom a national identity is drawn. There is a United States of America, and there are many who declare themselves to be 'Americans'… but 'America' only exists by virtue of people coming to live in a particular place... more than any other state, the imprecise process of imagination is what constitutes American identity. In this context, the practices of 'foreign policy' come to have a special importance. If the identity of the 'true nationals' remains intrinsically elusive and inorganic, it can only be secured by an effective and continual ideological demarcation of those who are 'false' to the defining ideals".[17] By this, Campbell says that not every country is an "imagined community" to an equal extent, without any foundation of national identity which precedes its practices. The United States is the leader in this sense. This explains an extraordinary fragility of its identity and a chronic need for delineation from the "other" in relation to what America is in an ideological sense.[18]

This kind of logic has its roots in the very historical beginnings of America. Columbus did not "discover" America, for he had neither the intention to discover something which would be called America, nor did he encounter the land that had something "American" in its nature.[19] America was not discovered, but imagined afterwards "as the land of opportunities, of the future, and of freedom".[20] Europeans, Spaniards and Christians, by separating their "self" from the Indian American "other", brought with them to the New World the relation towards difference and the "other" which had been present in the Old World.[21] Depending on the quality of the difference perception (was it a more bridgeable dichotomy Christendom/paganism, or a greater civilization/barbarism gap?), strategies of

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[17] Ibid, p. 105.

[18] Or, as Michael Camen argues: "Only in a country where it is so unclear what is American… do people worry so much about the threat of things 'un-American'". Quoted in Ibid, p. 105.

[19] Ibid, pp. 106-107.

[20] Ibid, p. 110.

[21] Ibid, p. 111. "Because the 'Europe' of this period was a multiple acephalous federation secured by the transcendental authority of Christendom, the hierarchy of Christian/pagan was the most pervasive organizing principle for difference". (p. 115).

colonization and enslavement were alternately applied towards the native population.[22] The first settlers in the territory of the contemporary United States — Anglo-Saxon Puritans — arrived in the 17th century, bringing with them to the New World an especially malignant version of the civilization/barbarism dichotomy, first applied by the English in their treatment of the Irish.[23] In a new environment, they based their fragile (and, by geographical departure from known European society, additionally endangered) identity on the ideal of closed and well-ordered Christian community, which would endure even after it transformed itself into a "merchant-dominated civil polity".[24] Given that they considered the natives, North-American Indians, as too distant from this ideal, they could apply only the most extreme measures of separation towards them. "Extermination, rather than colonization or enslavement, was the early English response to otherness. When this could not be achieved, physical separation was employed".[25] Strict delineation of the English from the Indians indicates that there is not a naturally sharp distinction between them, but rather a vague one. When the boundaries are blurred, barriers are repeatedly erected.[26] This is why the Puritans brutally treated those members of their own society who would get too close to the Indian way of life in any sense, departing from the pre-established ideal, and thus calling into question the homogenity of the society (witch hunts are a fair example).[27]

When threats to identity decrease, the complete otherness relaxes. This way Indians were considered less hostile over time, but many other "others" took their place, because "the boundary between inside and outside, self and other, is never static nor is it singular".[28] The pattern of identity reproduction, similar to the one established by the first settlers, can be observed through the whole of U.S. history. It is characterized by "evangelism of fear", by which the boundaries between the

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[22] Ibid, p. 116.

[23] Ibid, p. 119. Although the Irish were also Christians (Catholics), the English did not consider them as such, because they regarded them as being uncivilized. "The English experience in Ireland indicated a disposition amongst the Protestants to take any margin of difference and transform it into a condition of complete otherness, regardless (or perhaps because of) the lack of distance between the self and the qualities of the other… when the other is rigidly demarcated it more often than not signals the existence of a fragile, endangered and insecure self. That the English in Ireland subverted the Christianity of the Gaels and transformed it into evidence of paganism and barbarism said much about their inability to affirm their own identity without volence… the extreme Protestantism of the English in Ireland was unmistakable in the Puritanism of the Pilgrims in America". (p. 120).

[24] Ibid, p. 121.

[25] Ibid, p. 125.

[26] Ibid, p. 126.

[27] Ibid, p. 121.

[28] Ibid, p. 128.

"outside" and "inside" are drawn, internal threats are linked to the external ones — all with the purpose of disciplining the members of one's own society.[29] At the time of gaining independence, the revolutionaries' need for ideological distinction from the English additionally aggravated the fragility and vulnerability of their identity.[30] Americans greeted the French Revolution as an expression of pursuit for freedom from a monarchical tyranny, but were also suspicious of it, for they considered it as a threat to their moderate constitutional political experiment.[31] Whenever domestic divisions become more pronounced, one side will accuse the other of connections with foreign countries and treason.[32] The "slave codes" were in fact about disciplining the non-slaves, rather than slaves.[33]

To understand how this logic works in the United States today, it is important to gain understanding of the Cold War period in an appropriate way. The Cold War was only "another episode in the on-going production and reproduction of American identity through the practices of foreign policy, rather than as simply an externally induced crisis".[34] Contrary to traditional understanding, the key problem was not the need to deal with the Soviet military threat. The Soviet threat was mainly political, because the Soviet Union promoted a social model opposed to private property, which in the U.S. serves as a criterion for separation between civilized and barbaric, i.e. normal from pathological.[35] Athough the U.S. came out of the Second World War as the most powerful country, its identity was endangered by the existence of social groups which supported alternative interpretations, and whose actions used to be linked with the Soviet Union, although it was "neither the source nor the ally of these domestic challenges".[36] U.S. foreign policy documents from the beginning of the Cold War refer to the purpose of the United States, its ideology, culture, qualities of its society, instead of simply dealing with necessity to counter the Soviet threat.[37] Expressing the necessity to protect American values, these documents "always acknowledged that their initial concern was the absence

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[29] Ibid, p. 131.

[30] Ibid, p. 136.

[31] Ibid, p. 138.

[32] In the mentioned period the accusation of being a French agent was common. Ibid, p. 139.

[33] Ibid, p. 130.

[34] Ibid, p. 145.

[35] Ibid, p. 159. "In the context of the United States, then, identity has often been disciplined by rhetoric associated with freedom of choice for individuals, democratic institutions, and private enterprise economy. This serves to reproduce those practices in the face of contradictory and threatening interpretations; most obviously, that of a communal identity the interests of which are served by social planning and the public ownership of property… communism and the Soviet Union are not synonymous. The former predates and exceeds the latter". (pp. 158–159).

[36] Ibid, p. 160.

[37] Ibid, p. 158.

of order, the potential for anarchy, and the fear of totalitarian forces or other negative elements which would exploit or foster such conditions".[38] This explains why the United States, even after the Soviet military threat had disappeared, retained and additionally emphasized the priority of building the international order based on American values and under the leadership of the U.S. In recent strategic documents, an emphasis has been put on integration, which means the attraction and inclusion of other states into the American sphere of influence. Those actors who refuse to accept the American design for the international order, get excluded.[39] The new stage in reproduction of American identity requires new enemies. The war against terrorism is only a re-run of the Cold War in the sense of "zero-sum analyses of international action, the sense of endangerment ascribed to all the activities of the other, the fear of internal challenge and subversion, the tendency to militarize all responses, and the willingness to draw the lines between us and them."[40]

The analysis of the foreign policy practices of the United States shows that they are a constant process of reproduction of one *par excellence* imagined community's identity. This process now manifests itself as the pursuit for leadership in the integrated international order, based on the values of American homogenous society, to the exclusion of all domestic and foreign actors who offer alternative interpretations: "In the history of U.S. foreign policy — regardless of the radically different contexts in which it has operated — the formalized practices and ritualized acts of security discourse have worked to produce a conception of the United States

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[38] David Campbell, "Contradictions of a Lone Superpower", Internet, http://www.david-campbell.org/wp-content/documents/Contradictions_of_a_Lone_Superpower.pdf 27/8/2012 , p. 226. The NSC-68 document from 1950 says, among other things, that the purpose of the United States as nation is "to ensure the integrity and vitality of our free society, which is founded upon the dignity and worth of the individual… There is a basic conflict between the idea of freedom… and the idea of slavery… The implacable purpose of the slave state to eliminate the challenge of freedom has placed the two great powers at opposite poles". However, there is not only concern about the Soviet threat: "In a shrinking world, which now faces the threat of atomic warfare, it is not an adequate objective merely to seek to check Kremlin design, for the absence of order is becoming less and less tolerable… One is a policy which we would probably pursue *even if there were no Soviet threat*. It is a policy of attempting to develop a healthy international community. The other is the policy of 'containing' the Soviet system. These two policies are closely interrelated and interact with each other". David Campbell, *Writing Security: United States Foreign Policy and the Politics of Identity,* op. cit, p. 25 (emphasis added).

[39] Bialasiewicz, Luiza et al, "Performing Security: The Imaginative Geographies of Current US Strategy", op. cit, p. 409.

[40] David Campbell, "Time Is Broken: The Return of the Past in the Response to September 11", Internet, http://www.david-campbell.org/wp-content/documents/Time_is_broken.pdf 27/8/2012, pp. 7–8. "What we are witnessing, therefore, is an emerging form of strategic international McCharthyism. Struggles unrelated to the global threat will nontheless be cast as compradors of international terrorism, represive policies will not be questioned, and those that dare criticize this complicity will be labeled fellow travelers of the terrorists". (p. 8).

in which freedom, liberty, law, democracy, individualism, faith, order, prosperity and civilization are claimed to exist because of the constant struggle with an often violent suppression of opponents said to embody tyranny, oppression, anarchy, totalitarianism, collectivism, atheism, and barbarism".[41]

Identity and foreign policy of Russia. Campbell used the case study of U.S. foreign policy to present the application of his performative theory. To apply it to the case of Russian foreign policy, already available analyses of Russian national identity can be put to use. The most prominent among these analyses is the one published by Andrei P. Tsygankov.[42] Unlike the United States, Russia can not be labelled as the imagined community *par excellence,* given that in its case there is a "Russian people" (in the meaning of ethnic group) as a foundation of national identity which precedes the establishment of the modern Russian state. However, this foundation is very loose, considering that Russia has existed as a multi-national empire since its liberation from Mongol occupation. "Russian tsars rarely appealed to the notion of a Russian people to legitimate their rule", says Ponsard; because of this, the Russian nation later had difficulty in developing a post-imperial identity.[43] An example of a possible ambiguity regarding Russian national identity is the difference made in the Russian language between *rossiskii* (which refers to the land of Russia) and *russkii* (which refers to Russians as an ethnic group).[44] The primacy of the former is present throughout the whole history of the modern Russian state, including the contemporary period of the Russian (*Rossiskoi)* Federation.[45] To use the language of performative theory — the boundaries of Russian national identity got fixed over time as boundaries of a multi-national identity, while practices of exclusion do not refer to exclusions based on ethnic background.[46] This is the reason

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[41] David Campbell, "The Biopolitics of Security: Oil, Empire and the Sports Utility Vehicle", Internet, http://www.david-campbell.org/wp-content/documents/Biopolitics_of_Security.pdf 27/8/2012 , p. 948.

[42] See Andrei P. Tsygankov, *Russia's Foreign Policy: Change and Continuity in National Identity,* Rowman and Littlefield Publishers, Inc., Plymouth, 2010.

[43] "...though the empire was incapable of satisfying Russia's national feelings, the Russian national conciousness remained fused to the empire… the link between Russia's national development and this empire-conciousness remains a fundamental characteristic of Russian national psychology". Lionel Ponsard, *Russia, NATO and Cooperative Security: Bridging the Gap,* Routledge, 2007, p. 19.

[44] Ibid, p. 20.

[45] "Throughout their history, ethnic Russians have identified themselves mainly with the state – the Russian empire or the Soviet Union. Thus they acquired what is often described as an 'imperial mentality'". Ibid, p. 20.

[46] "What Russian geography has taught us is that the immensity of the Russian territory, stretching from Europe to Asia, and the consequent heterogeneity of that territory and the people living there, has been the ground for an identity that includes *the conciousness of*

why foreign policy documents of Russia, among other things, insist on a multi-national character of the state as one of the main distinguishing features of Russia.

If ethnic divisions are not the basis for exclusion (in relation to the "outside", as well as to alternative domestic elements), then what is? For the United States, there are specific values mentioned above. What are the key values which determine Russia's identity? Tsygankov says there are three schools of thought in modern history of Russia, which view the basic values differently: Westernizers, Statists, and Civilizationists. "Westernizers placed the emphasis on Russia's similarity with the West and viewed the West as the most viable and progressive civilization in the World… Statists have emphasized the state's ability to govern and preserve the social and political order… Critical to Statism is the notion of external threat to Russia's security. Ever since the two-century-long conquest by the Mongols, Russians have developed a psychological complex of insecurity and the readiness to sacrifice everything for independence and sovereignty… The Statists, however, are not inherently anti-Western; they merely seek the West's recognition by putting the emphasis on economic and military capabilities… Finally, Civilizationists have always seen Russian values as different from those of the West, and they have always attempted to spread Russian values abroad, outside the West".[47] As a social constructivist, Tsygankov sees in the West the "significant other", which decisively influences the Russian interpretation of its own identity.[48] He notes that in the middle of the 1990's the Westernizers gave way to the Statists, as a result of Western actions which "strenghtened the sense that the West was not accepting Russia as one of its own".[49] The question which Tsygankov nonetheless does not adequately answer, is why the tide never turned more significantly in favor of Westernizers or Civilizationists. In spite of radical changes in context, the Statist conception remains dominant in Russia, including today.[50] Performative theory can solve this.

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plurality and the acceptance of differences. In other words, the Russian identity cannot be that of the Russian people in its ethnic sense only; it must embrace a dimension that is broad enough for all the inhabitants of the Russian territory to identify themselves with". The coexistence of the terms *russkii* i *rossiskii* testifies that Russian national identity is "more inclusive than exclusive", thus it is not national in a full sense, but multi-national. Ibid, p. 31 (emphasis added).

[47] Andrei P. Tsygankov, *Russia's Foreign Policy: Change and Continuity in National Identity,* op. cit, pp. 4–7.

[48] Ibid, pp. 15–17.

[49] Ibid, p. 19. "What often determines Moscow's foreign policy choices is whether or not the West's international actions are perceived by Russian officials as accepting Russia as an equal and legitimate member of the world". (p. 1).

[50] What is striking is that, whenever governing elites in Russia embrace some universalistic ideology (whether "Third Rome" Christianity, or world socialist revolution, or liberal international order), such development is only temporary, and the trend soon gets reversed toward a pragmatic foreign policy based on *raison d'etat.*

The Statists' dominance in contemporary Russia's foreign policy thought and practice is the result of fixing the boundaries of Russian identity in a way which means the supreme role of the strong state in securing all other values from numerous challenges.[51] The seriousness of the Russian view of these challenges is understandable if geographic location and historical tradition are considered.[52] As in the U.S. case, the spatial element plays an important role in the formation of Russian identity as well. The difference is that, while the United States emerged by moving to the New World, Russia positioned itself at a wide and insecure Eurasian crossroads.[53] If Russia was not a great power capable of having an independent foreign policy and participating in managing the world on an equal footing with other powers, its identity as the Eurasian and multinational state, even its mere survival, would be in danger.[54] In Russia's recent foreign policy documents and

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[51] "During most of the twentieth century, Russian identity continued to be based on the international power of the state". Lionel Ponsard, *Russia, NATO and Cooperative Security: Bridging the Gap,* op. cit, p. 19.

[52] "As a borderland nation in an uncertain, often volatile external environment, Russia had to continuously respond to similar challenges to its security. These challenges included unrests in neighboring territories, threats of external invasion, and difficulties in preserving internal state integrity". Andrei P. Tsygankov, *Russia's Foreign Policy: Change and Continuity in National Identity,* op. cit, p. 4.

[53] "A continuous sense of occupying some kind of critical middle ground between highly differentiated zones of global civilisation has been pervasive in Russia since the reforms of Peter the Great… In this context, Russia's geographical position is a fundamental factor in the Russians' sense that they are different — not part of the European family or the West, but surely not part of Asia either". Lionel Ponsard, *Russia, NATO and Cooperative Security: Bridging the Gap,* op. cit, p. 8.

[54] Russians see even the Cold War as a struggle for preservation of their own sovereignty and independence from the expansionist ambitions of the West. Andrey P. Tsygankov, *Russophobia: Anti-Russian Lobby and American Foreign Policy,* Palgrave Macmillan, New York, 2009, p. 48. Tsygankov at many places cites Russian statesmen for the recent period, who (regardless of context and their personal ideological orientation) underline the necessity of Russia's status as a strong and independent power, treated as such by others (the West above else), in order to preserve its survival and uniqueness. Check several examples. Kozyrev: "…it apperas that some Western politicians, in Washington and elsewhere, envision Russia not as an equal partner but as a junior partner. In this view a 'good Russian' is always a follower, never a leader". (the article in *New York Times* from 1994, quoted in Andrei P. Tsygankov, *Russia's Foreign Policy: Change and Continuity in National Identity,* op. cit, p. 68). Primakov: "Russia is both Europe and Asia, and this geopolitical location continues to play a tremendous role in formulation of its foreign policy… Geopolitical values are constants that cannot be abolished by historical developments". (from the first official press conference as foreign minister, p. 93). Putin: "Such a country as Russia can survive and develop within the existing borders only if it stays as a great power. Durign all of its times of weakness… Russia was invariably confronted with the threat of disintegration". (adressing Federation Council in 2003, p. 129). Putin: "For Russians a strong state is not an anomaly that should be gotten rid of… they see it as a source and guarantor of order and the initiator and main driving force of any change". (the article in *Nezavisimaya gazeta* from 1999,

practice, there is a constant insistence on a collective management of the multipolar world, with Russia as one of the poles. Regardless of changes in the context of Russia-West relations, members of the Russian foreign policy elite have such a vision of their country's role on their minds all the time. Thus Russia's readiness in the 2009-2011 period to improve its relations with the United States must be understood not as a simple reaction to America's "reset" offer, but as its attempt to exploit an opportunity to accomplish the objective it constantly has — to establish partnership with the Western powers on an equal footing. In this it sees the only way to create a secure environment for its domestic development.[55] The latest series of Russia's criticisms of the West does not mean that Russia pursues an anti-Western policy, but rather its desire to "re-engage with the West on terms that the Kremlin viewed comfortable".[56]

All domestic and foreign actors who, in the view of the Russian foreign policy elite, can jeopardize Russia's great power status, its independent domestic development and foreign policy, its multi-national character, as well as multipolar character of international order, are those "other", "foreign", "barbaric" elements in relation to which Russia performatively constitutes and reproduces its identity, through the foreign policy practices of exclusion. An alternative to a successful foreign policy would be either the complete disintegration of the state, or (more probably) its reduction to narrower national frames and the loss of the great power status. What remains to be discussed is what happens when such foreign policy practices of Russia and the United States, in service of their fundamentally different and at the same time vulnerable identities, face each other in a globalized world.

The incompatibility of the United States and Russia's identity. The main characteristics of the U.S. and Russia's identity are summed up in Table 1.

The table shows the incompatibility of the two states' identities in several respects. As foreign policy is the central practice of constitutuion and reproduction of one state's identity through the discourse of danger, it is natural that the two states with such incompatible identities repeatedly see each other as a threat. Over time, this threat materializes, while globalization only intensifies

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p. 131). Putin: "Russia is a country with a history that spans more than a thousand years and has practically always used the privilege to carry out an independent foreign policy. We are not going to change this tradition today". (the Munich speech frome 2007, p. 171). We would like to add that the insecurity of Russian identity is not as accute as in the case of the U.S. identity. Here there is Russian people (as an ethnic group) that could serve as a foundation of some smaller, Russian nation-state. In such case, however, Russia would not be more than one among many European nation-states.

[55] For Putin, "the most important national interest lay in Russia's modernization and economic growth, not balancing American influences in the world". Ibid, p. 133.

[56] Ibid, p. 178.

Table 1.

	The United States	**Russia**
Spatial element	Moving to the New World	Positioning at the Eurasian crossroads
Prediscursive foundation	Non-existent. Instead of it, Puritan ideal of society	Russian people as ethnic group. Subordinate to imperial mentality
Character of society	Homogenous society — denial of differences	Multi-national society — life with differences
Basic value	Individualism and the institutions based on it	Strong and independent state as a precondition of all other values
View of its place in the world	Leadership in the integrated world	One among several great powers in the multipolar world
View of the world's values	Universal values	Pluralism and competition of values

this process, additionaly endangering fragile identities. Therefore it is not strange that Russia and the United States have been in a cold war for most of the last hundred years.[57]

Constituting itself as a *par excellence* imagined community by moving to the New World, and lacking any prediscursive foundation (besides the Puritan ideal of social order), the United States exists as a homogenous society which denies domestic ethic divisions. It draws boundaries towards the "other" above all ideologically, according to the commitment to the supreme value of individualism and the institutions based on it (private property, free market, constitutionalism, democracy, etc.). Considering that the U.S. is accustomed to introducing order in the New World (thanks to the privilege of having weak neighbors and the capability of isolating themselves from the Old World "disorder"), its first concern since the technological progress and globalization removed the barrier between the two worlds, is to destroy anarchy and establish world order. The United States does not see any other option for its survival in the contemporary world, than to be its leader, by integrating it according to universal (in fact, American) values. As an alternative to its leadership, the U.S. sees anarchy which is not manageable. Anarchy is fed by the mere existence of other independent great powers, as well as by any deviation in values from the universal model.

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[57] When I say "cold war", I do not only think of a period of the United States and Soviet Union's global competition, which is known in history as Cold War. The phrase "cold war" originally ment a coexistence and rivalry between the societies with conflicting identities. It was first used by a Spanish fourteen-century writer for the relation between the Christians and Arabs. David Campbell, "Contradictions of a Lone Superpower", op. cit, p. 227.

On the other hand, Russia does not have the privilege of moving to the New World. It is positioned in the two main parts of the Old World — Europe and Asia. Having an imperative of preserving its survival, it has learned to live with differences on the inside (as a multi-national state, despite the prediscursive foundation it has in the Russian people) and the anarchy on the outside (as one of several great powers in a multipolar world, in which there is a pluralism of values). To participate in the collective management of the world, and at the same time to defend its uniqueness, Russia has to be a strong and independent state. In a unipolar world, where universal values are imposed from a single center, Russia could not survive with this identity; it would at least be reduced to the rank of one of the many nation-states which are mere followers of the world leader. Russia's encounter with the United States in a globalized world caused a problem which has not yet been resolved — how could a typical power of the New World and a typical power of the Old World fit together in a single world, each preserving its own identity?

Given the above mentioned materialization of a mutual threat, it would be very difficult. The listed incompatibilities indicate that the two countries threaten each others' identity on multiple levels. Russia bothers the United States for what it is, what it stands for, and how it behaves on the international stage. Russian insistence on a strong state collides with American individualism, and Russia's multi-national character is the opposite to the homogeneity of American society. The incompatibility of domestic values would not be such a big problem if Russia was not an example of how a state can be successful, well-governed, and a great power, while respecting values opposed to the American ethos.[58] In fact, what annoys Americans above all is that Russia plays the role of an independent great power which supports the collective management of a multipolar world, as well as a pluralism of values, which is the opposite to the American aspiration of being a leader in a world order based on universal values.[59] This acceptance of multipolarity and pluralism of values is what differentiates Russia's approach towards the United States from U.S. approach towards Russia. Russia is bothered neither by U.S. status of an independent great power, nor by its appreciation of

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[58] One of the recent events is an example of the externalization of the threat – linking the proponents of alternative ideas to foreign actors — which is elaborated in performative theory. It is the case of Julian Assange, who hosted the talk show on *RT,* Russian TV in English language. After the first episode of the show (his guest was Hassan Nasrallah, the leader of Hezbollah), he was denounced as "Kremlin agent". "Smear and Loathing: Assange show FSB-filmed Putin propaganda", *RT,* 18 April 2012, Internet, http://rt.com/news/assange-world-tomorrow-reaction-360/ 11/9/2012.

[59] The reason for which the United States sees Russia as an oponent which does not deserve an equal treatment is clear to Tsygankov: "led by President Putin the country is attempting to conduct an independent foreign policy while continuing to differ from the United States internally". Andrey P. Tsygankov, *Russophobia: Anti-Russian Lobby and American Foreign Policy,* op. cit, p. 59.

different values. It is only bothered by U.S. pursuit of unipolarity and universalism, together with the denial of independence and the different values of all others,[60] which is a threat to Russia's place on the world's stage, as well as to its internal order of values.[61]

It remains to be demonstrated how the most recent national security strategies of the United States and Russia serve in the reproduction of these states' incompatible identities. It is part of the explanation why the latest attempt at rapprochement between the two powers was condemned to failure.

The comparative analysis of national security strategies of Russia and the United States

Medvedev and Obama strategies. National Security Strategy of the Russian Federation to 2020 is a much larger and more complex document compared to its predecessors — national security concepts from 1997 and 2001.[62] The draft of the Strategy was done by an interdepartmental working group, under the supervision of Security Council. In March 2009, the aims and principles of the Strategy were presented to Security Council by President Medvedev and Council Secretary Nikolay Patrushev. After some changes, the Strategy was approved in a closed session in April, to be confirmed by President Medvedev's decree in May 2009.[63] The new strategy has much more of an "upbeat tone" than the previous documents; instead of the "narrative of victimhood", it expresses the confidence of the Russian elite regarding Russia's ability to influence the world. It also anticipates a change in the decision-making process, for it provides for a long-term unified approach to strategic aims (to 2020) under the supervision of Security Council Secretary, who

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[60] Sergei Lavrov: "As regards the content of the new stage in humankind's development, there are two basic approaches to it among the countries. The first one holds that the world must gradually become a Greater West through the adoption of Western values. It is a kind of 'the end of history'. The other approach — advocated by Russia — holds that competition is becoming truly global and acquiring a civilizational dimension; that is, the subject of competition now includes values and development models". Sergei Lavrov, "Russia and the World in the 21st Century", *Russia in Global Affairs,* No. 3, July-September 2008, Internet, http://eng.globalaffairs.ru/number/n_11291 11/9/2012.

[61] Fear of American exclusiveness regarding the values forces the governing elite in Russia to externalize the threats itself by denouncing political opponents from oposition parties and NGO sector (who support ideas alternative to the Statist school of thought) as "foreign agents". "Russian parliament adopts NGO 'foreign agents' bill", *BBC,* 13 July 2012, Internet, http://www.bbc.co.uk/news/world-europe-18826661 11/9/2012.

[62] Keir Giles, "Russia's National Security Strategy to 2020", Internet, http://www.conflict studies.org.uk/files/RusNatSecStrategyto2020.pdf 23/4/2012 , p. 1.

[63] Ibid, p. 2.

is a close associate of then Prime Minister (now President) Putin.[64] It can be assumed that Putin, decisively influencing the adoption of the Strategy, planned his return and a long stay in the position of President.[65]

Unlike Russia's, U.S. (Obama's) National Security Strategy from 2010 is certainly not planned to last until the end of the decade, for this document is adopted in the United States more often. Namely, Obama's strategy follows the trend of the two previous — issued by President Bush in 2002 and 2006 — by its adoption in the second year of the President's mandate.[66] To deflect from Bush's approach, Obama's strategy puts an accent on engagement with other countries, with the objective of renewing American leadership.[67] Its tone, compared to Bush's strategy, is less direct, populistic and provocative, and more reflexive and abstract.[68] After its adoption, it provoked ambivalent criticism. It was attacked because it contained the "necessary force" concept (which discharges Bush's pre-emptive self-defense), which is claimed to leave much more space for unilateral use of force.[69] On the other hand, militant circles attack it because it is allegedly based on: undermining American sovereignty — trust in international organizations, emphasizing soft power, a more humble attitude towards others, and a more restrained American role on the international stage.[70]

Though I have said that Russia's Strategy is a much larger and more advanced document than its predecessors (which is partly expressed by replacement of the word "concept" by the word "strategy"), and the U.S. one mitigates direct and populistic and emphasizes a more abstract tone, it does not reduce the gap between the two documents which is obvious at first sight. The U.S. Strategy is far more complex than Russia's (it has three times more text),

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[64] Ibid, p. 11.

[65] Which does not mean it is not congruent with Medvedev's political course. Marcel De Haas says that Russia's strategic documents from 2000 on show the consistence in thought and practice of Putin and Medvedev. Marcel De Haas, "Russian Security Policy and Cooperation with the West (ARI)", Internet, http://www.realinstitutoelcano.org/wps/portal/rielcano_eng/Content?WCM_GLOBAL_CONTEXT=/elcano/elcano_in/zonas_in/ari97-2010 23/4/2012 , pp. 2–3.

[66] See *National Security Strategy Archive,* Internet, http://nssarchive.us/ 12/9/2012.

[67] Christine Gray, "President Obama's 2010 United States National Security Strategy and International Law on the Use of Force", *Chinese Journal of International Law,* 2011, pp. 35–36.

[68] Ibid, p. 40.

[69] See Christian Henderson, "The 2010 United States National Security Strategy and the Obama Doctrine of 'Necessary Force'", *Journal of Conflict and Security Law,* Vol. 15, No. 3, 2010, pp. 403-434.

[70] See Kim R. Holmes and James Jay Carafano, "Defining the Obama Doctrine, Its Pitfalls, and How to Avoid Them", *Backgrounder,* No. 2457, September 1, 2010.

and its tone is much more emotional and direct. We present a detailed comparison of the two documents in three respects, by simplification of the list of questions that David Baldwin uses in his security concept[71]: *values* — what has to be protected, whether it is in possession, or is required; *threats* — what jeopardizes values, whether it is currently present, or can appear in the future; *means* — basic instruments and partners needed for the protection of values from threats. Berenskoetter uses a similar pattern in the above mentioned analysis, except for the fact that he speaks about the "realm of responsibility" instead of values.[72]

Values. That institutions based on individualism are the supreme value which determines U.S. identity, unlike the strong and independent state as a precondition of all other values in the case of Russia, is obvious from the specific words in their respective Strategies. While words such as "market", "human rights", "rule of law", and "democracy", are more frequent in the American document, the Russian one makes use mainly of words like "sovereignty", "territorial integrity", and "independence". The gap between the American vision of world order based on universal values under U.S. leadership, and the Russian vision of a collectively governed multipolar world in which there is competition of values, is also apparent from the repetitive use of the abovementioned words. The American Strategy is dominated by expressions like "leadership", "universal rights", "international system/order/community"; while the Russian Strategy by "multipolar", "balance of power", "equal security", and "strategic stability".

Both Strategies list values explicitly. The Russian Strategy already does it in the first article of the first chapter, listing: freedom and independence of the Russian state, humanism, peace between peoples and cultural unity of Russia's multi-national population, respect for family traditions, and patriotism.[73] This shows the emphasis on important characteristics of Russia's identity mentioned above: devotion to the state and its independence as well as its multi-national character. The Strategy devotes a special place to the state in preservation of cultural and moral values by "strengthening the spiritual unity of multi-national population" and "international image of Russia as a state of rich traditional and dynamically developing contemporary culture".[74] As culture is more elaborated

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[71] Baldwin's questions are: security for whom?; for which values?; how much security?; from which threats?; by what means?; at what cost?; in what time period? David A. Baldwin, "The Concept of Security", *Review of International Studies,* 23, 1997, pp. 12-18.

[72] Felix Sebastian Berenskoetter, "Mapping the Mind Gap: A Comparison of US and European Security Strategies", op. cit, p. 73.

[73] *Стратегия национальной безопасности Российской Федерации до 2020 года,* Internet, http://www.scrf.gov.ru/documents/1/99.html 12/9/2012, I(1).

[74] Ibid, IV(7(84)).

in the Russian than in the American Strategy, it can be concluded that Russia, in the richness of its culture, sees one of the main distinguishing features in relation to the rest of the world, in which "values and models of development have become the subject of global competition".[75]

On the other hand, the United States lists three main values — democracy, human rights, and rule of law — as "essential sources of our strength and influence in the world",[76] strongly emphasizing their universal character. "Respect for universal values at home and around the world" is listed as one of the four enduring American interests,[77] for "our long-term security and prosperity depends on our steady support for universal values, which sets us apart from our enemies… and many potential competitors for influence".[78] This is an explicit inscription of the identity boundary. It is worth adding that this Strategy supports efforts within Russia to promote universal values.[79]

From the explicit lists of values in the Strategies, it can be concluded that the United States insists on universalism (what is good for America is good for the world, including Russia); while Russia emphasizes particularity (the need to protect its uniqueness). This is in line with our understanding of performative constitution and reproduction of the two states' identities.

As far as values in a broader sense are concerned (those that are not explicitly listed as "values" in the Strategies), there is a difference between what is already owned from what is desired. (National) interests include both. The Russian Strategy defines national interests as the "totality of the internal and external needs of the state in providing the protection and stable development of the individual, society, and the state".[80] This is an application of the contemporary security concept, which does not insist exclusively on the security of the state, but on the individual and society as objects of security. The national interests of Russia are: "development of democracy and civil society, the advancement of the competitiveness of the national economy… ensuring the immutability of the constitutional system, territorial integrity, and sovereignty of the Russian Federation… transforming the Russian Federation into a world power whose activity is aimed at supporting strategic stability and mutually beneficial partnerships in conditions of the multipolar world".[81] As it can be seen,

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[75] Ibid, II(8).

[76] *National Security Strategy,* Internet, http://www.whitehouse.gov/sites/default/files/rss_viewer/national_security_strategy.pdf 12/9/2012 , p. 2.

[77] Ibid, p. 7.

[78] Ibid, p. 36.

[79] Ibid, p. 44.

[80] *Стратегия национальной безопасности Российской Федерации до 2020 года,* op. cit, I(6).

[81] Ibid, III(21).

democracy is not totally omitted from the list of Russian values. Quite the contrary, it is promoted to the rank of the first national interest, in a form of desired objective. This way, the authors of the Strategy implicitly admit that democracy in Russia has not yet been developed to the extent it should be. However, insistence on strengthening the state and its economy on the inside, and strategic stability on the outside, indicates that these interests cannot be achieved separately — some foreign support to democracy and civil society at the expense of the other two interests is not allowed. National interests are superior to strategic priorities (national defense, state and social security),[82] and priorities of stable development (quality of life, economic growth, science, technology, education, health, culture, ecology, equal strategic partnership, and strategic stability).[83] "Development" and "quality of life" are expressions encountered more frequently in the Russian rather than the American Strategy, which is understandable given the fact that Russia is far below the desired level (as well as the American) in these areas.

The United States divides its interests into four groups: the security of the United States, its citizens, and U.S. allies and partners; a strong, innovative, and growing U.S. economy in an open international economic system; respect for universal values at home and around the world; an international order advanced by U.S. leadership that promotes peace, security, and opportunity to meet global challenges.[84] This shows a general tendency towards universalism, erasing the boundary between national and global interests. "And when national interests do collide — or countries prioritize their interests in different ways — those nations that defy international norms or fail to meet their sovereign responsibilities will be denied the incentives that come with greater integration and collaboration with the international community".[85] In other words, those who exercise their own national interests in a way which is not compatible with the American view of global interests are punished by exclusion from the "international community". This is Campbell's concept of integration and exclusion in practice. Unlike the Russian insistence on defense of territorial integrity, state borders, and sovereignty, the United States hardly pays attention to these issues,[86] because it has regarded its territory secure since a long time ago (except from nuclear or terrorist threats and/or attacks). On the other hand, much more space is devoted to areas of internal

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[82] Ibid, III(23).

[83] Ibid, III(24).

[84] *National Security Strategy,* op. cit, p. 7.

[85] Ibid, p. 40.

[86] In the U.S. Strategy sovereignty and territorial integrity are mentioned only once — interestingly, in the sense of support to the sovereignty and the territorial integrity of Russia's neighbors. Ibid, p. 44.

security: science, education, health, environment, etc. (except culture, which is more important for Russians, as it appears).

The analysis of listed national interests approves the conclusion that particularity is dominant in the Russian Strategy, unlike universalism in the American one. Russia is not reserved regarding the respect for interests of others, while the United States underrates other states' interests which are not compatible to its own (i.e. universal ones). This kind of attitude towards others corresponds to the division between civilization and barbarism — it seems as if the United States knows better what is good for other countries, than they know what is good for them.

Finally, the analysis of values should encompass the United States and Russia's visions of international (security, legal, economic, etc.) order, and the place they aspire to have in it. This may be the key issue that reflects the incompatibility of the two countries' foreign policies. Russia advocates international relations "on the principles of international law, and on ensuring reliable and equal security for states",[87] and should actively participate in construction of the multipolar world.[88] This shows the incorporation of the elements important for Russia's identity into its foreign policy — Russia cannot be secure unless the multipolar order based on equal security and international law is established. Russia should actively promote this order and transform itself into a world power capable of maintaining strategic stability. The backbone of this equal security should be an "open system of Euro-Atlantic collective security, on a clear treaty and legal basis".[89]

The United States is straight forward regarding the international order it desires — the one under its leadership. Moreover, the basic motto of the Strategy is "renew leadership".[90] Leadership is understood as political, economic, and above all moral. The whole global security depends on it.[91] Like Russia, the United States insists on an international order based on respect for international law, but in a substantially different sense. The Strategy says that the just and sustainable international order has to be "based on rights and responsibilities", and to be "capable of addressing the problems of our time".[92] This is not about positive international norms, but about such international law that, in the American view, could address new problems. Russia and the United States do not have the same international norms in mind,

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[87] *Стратегия национальной безопасности Российской Федерации до 2020 года,* op. cit, II(13).

[88] Ibid, III(24).

[89] Ibid, II(16).

[90] This phrase is used 9 times in the Strategy — the first time on the first age, and the last time in the last sentence.

[91] *National Security Strategy,* op. cit, p. 7.

[92] Ibid, pp. 3, 5.

because they have a different perspective of what the key problems are (I shall deal with this in the next part of this chapter). The order under the American leadership is necessarily unipolar. Thus, other powers are not treated equally, but are offered to be partners in leadership. It is notable that when the American Strategy talks about potential U.S. partners in global leadership, it mentions the regional leadership of several powers (Japan, South Korea, China, India, Brazil, and South Africa). However, when it comes to Russia, the word "leadership" is not used.[93]

It is clear that these visions of international order collide. American insistence on its leadership as a precondition of global security, and on its own view of international norms and responsibilities (while Russia is not even offered to be partner in this leadership), is at odds with Russia's vision of itself as a great power in the multipolar world based on clear international legal norms and equal security for all. This conflict of visions is hardly anything more than another stage in an already fixed pattern of reproduction of the two states' identities.

In conclusion, the values which Russia and the United States want to protect, according to their current national security strategies, are incompatible. Listing these values in their national security strategies is in service of reproduction of the two states' also incompatible identities.

Threats. The identity of the state is always constituted in relation to difference. The previous part of this chapter pointed out the basic differences between the United States and Russia in terms of their values listed in the Strategies. This part revealed directly the "discourse of danger", by considering what the Strategies say about the threats to those values. The threats are explicitly listed through consideration of the negative aspects of the current situation, and of what could jeopardize the protected values in the future.[94]

The Russian Strategy defines a threat to national security as "the direct or indirect possibility of inflicting damage to constitutional rights, freedom, decent quality and standard of citizens' lives, sovereignty and territorial integrity, stable development of the Russian Federation, defense and security of the state".[95] Then, concrete threats are cited throughout the whole document. After listing the negative consequences of globalization, which increase the vulnerability of all states in relation to new threats and challenges, it says: "The inadequacy of the current global and regional architecture, oriented, particularly in the North-Atlantic region, only towards NATO, as well as the imperfection of legal instruments and mechanisms, increasingly create a threat to international security provision".[96] Among the threats stemming from the

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93 Ibid, pp. 42-45.

94 The use of the word "threat" has similar frequency in each of the Strategies.

95 *Стратегия национальной безопасности Российской Федерации до 2020 года,* op. cit, I(6).

96 Ibid, II(8).

current general situation in international relations are: "unilateral use of force in international relations", "disagreements between the main participants in world politics", "proliferation of weapons of mass destruction and their fall to the hands of terrorists", illegal activities in the fields of cybernetics, biology, and high technology, nationalism, xenophobia, separatism, violent extremism, religious radicalism, illegal migrations, drug and human trafficking, other forms of organized crime, epidemics, the fresh water deficit, conflicts in some world regions, struggle for resources, etc.[97] "The possibility of maintaining global and regional stability will substantially decrease with the deployment in Europe of elements of the global anti-missile defense of the United States of America. The consequences of world financial and economic crisis may become comparable, in terms of overall damage, to a large-scale use of military force".[98] Threats to military security include: "the policies of several leading foreign countries, aimed at achieving overwhelming superiority in the military sphere", primarily regarding strategic nuclear forces, and the development of high-technology means of warfare; "departure from international agreements in the fields of arms limitation and reduction".[99] Threats to state and public security mostly match the threats stemming from the international relations situation (terrorism, nationalism, organized crime, etc.). I shall single out "investigative and other activity of special services and organizations of foreign countries, as well as individuals, aimed at inflicting damage to the security of the Russian Federation".[100] In the field of border protection, the main threats are seen as: "the presence and possible escalation of armed conflicts" close to Russia's borders; transnational terrorist and criminal activities.[101] Threats in the fields of economy and technology are: lagging in development, dependence on foreign technology, a development model based on raw materials, dependence on foreign economic conditions, loss of control over resources, uneven regional development, corruption, and crime.[102] One of the main threats in the field of health is drug addiction and alcoholism in population,[103] and in culture "dominance of production of mass culture oriented towards the spiritual needs of marginalized groups".[104]

This list of threats is absolutely in line with the inscription of the Russian identity boundaries. The Eurasian format of the state requires confronting numerous (both traditional and "new") dangers to territorial integrity and state

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[97] Ibid, II(10-12)..

[98] Ibid, II(12).

[99] Ibid, IV(1(30)).

[100] Ibid, IV(2(37)).

[101] Ibid, IV(2(41)).

[102] Ibid, IV(3-5(47, 55, 64, 67)).

[103] Ibid, IV(6(72)).

[104] Ibid, IV(7(80)).

borders. Proscribing negative consequences of globalization, nationalism, separatism, and religious radicalism stems from the concern about multi-national character of the state, while cultural uniqueness does not tolerate mass culture. The pursuit of a strong and independent state reproduces along with the perception of danger of the national economy collapse and fall of the country into economic-technological-energetic dependency. Nevertheless, in the focus of the discourse are the dangers which threaten the Russian vision of international order and Russia's place in it. The aspirations of some countries to achieve military superiority, anti-missile defense plans of the United States, unilateral use of force, disagreements among the main actor of world politics, and especially the security architecture dominated by NATO, while the existing legal mechanisms have failed to prevent these developments — are seen as threats because they are elements of unipolarity which directly endangers Russia's status (important for its identity) of a great power capable of participating in the collective management of the world on an equal footing with other powers. Proscribing "marginal groups", "nationalists and separatists", "individuals" involved in "investigative activity" — is an example of internal exclusionary practice, for the above mentioned actors support the alternative models which are seen as dangerous for Russia's identity. This way they are equally threatening as foreign actors that can jeopardize Russia and its international status from the outside (above all NATO and the USA). Therefore, these groups' activities are linked with such foreign actors.

The Strategy of the United States says that "...there is not greater threat to the American people than weapons of mass destruction, particularly the danger posed by the pursuit of nuclear weapons by violent extremists and their proliferation to additional states".[105] The United States is particularly vulnerable to asymmetrical threats, "such as those that target our reliance on space and cyberspace".[106] Terrorism, natural disasters, cyber-attacks, and pandemics are seen as threats to homeland security.[107] The American Strategy, like the Russian, speaks about new threats stemming from the developments in the contemporary world (climate changes, energy dependence, financial crisis, crime, etc.), and about problems the United States face in each of the fields of national security (science, technology, health, etc.), while in economy — deficit is seen as the main threat (besides recession).[108] In this context, the following citation is also important: "An international architecture that was largely forged in the wake of World War II is buckling under the weight of new threats, making us less able to seize new

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[105] *National Security Strategy,* op. cit, p. 4.

[106] Ibid, p. 17.

[107] Ibid, p. 18.

[108] Ibid, p. 34.

opportunities".[109] Which actors are identified as carriers of threats? Although the word "enemies" is used in the Strategy seven times, the concrete enemies are not listed explicitly. However, it can be concluded from the context that the enemies are non-state actors such as terrorist, extremist, and criminal groups, as well as states like Iran and North Korea; while for the great powers (such as Russia and China) the phrase "potential competitors" is reserved.[110]

Shorter list of threats that can directly jeopardize the territory and population of the United States, compared to the Russian Strategy, is a consequence of radically different spatial elements — relatively greater security of a state which was established in the New World, unlike the one which positioned itself at the Eurasian crossroads. Nevertheless, from the attitude towards global architecture we can see that the American sense of vulnerability is equal to, if not greater than the Russian one. Every deviation from the American vision of the world order can be characterized as a threat to global and U.S. security. This is the source of such a great concern with activities of "enemies" and "potential competitors", for they are (at least the states) sovereign parts of this architecture, some of them (including Russia) even privileged by possessing the right of veto in the UN Security Council. Their "irresponsible behavior" (for example, the use of veto in UNSC against the will of the United States) is considered as a threat, for it incapacitates the existing architecture to deal with "new threats". In fact, the problem is that the very existence of sovereign (independent) actors which offer alternative visions of world order is a threat to U.S. identity.

From the consideration of threats listed in the Strategies, it can be concluded that the United States and Russia see each other as a threat. Although none of them explicitly labels the other as its enemy, it is clear that Russia sees the U.S. behavior as the source of many dangers; while the United States sees the very existence of Russia as an independent great power as a danger. This kind of mutual threat logic indicates that the Strategies are nothing more but yet another stage in the reproduction of U.S. and Russia's incompatible identities.

Means. Acquired values and the perception of threats require appropriate instruments for dealing with threats, i.e. protection of values. Besides, the appropriate choice of partners is needed. The following analysis will show that in the means that Russia and the United States envisage in the Strategies — there is a gap similar to the ones in values and threats.

When it comes to instruments, the Russian Strategy speaks of a "national security system", which encompasses "forces and means". Forces include the Armed Forces of the Russian Federation, other troops, military formations and

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[109] Ibid, p. 40.

[110] Ibid, p. 10.

bodies entitled to military service, and federal organs of state power which participate in the provision of security. Means include technological and other resources which in the framework of the national security system are used for collection, transmission and processing of information important to national security.[111] The Strategy envisages the use of national security forces in many areas which belong to national security. The armed forces reform is announced, but it is not explicitly determined what these forces will be used for, except for their role in the defense of territorial integrity and sovereignty mentioned in some point,[112] and their participation in conflict zones in accordance with international law at another.[113] Nevertheless, the key instrument Russia intends to use to ensure its national security is "multi-vector diplomacy", which should "broaden the possibilities for the Russian Federation to strengthen its influence on the world stage".[114] This diplomacy contains bilateral and, more importantly, multilateral relations with various partners. The Strategy is a bit stingy in enumerating partners — the primary importance is given to the CIS countries, the United States and the EU, while China, India, and Brazil are mentioned in the BRIC context. More attention is devoted to international organizations and other multilateral bodies, emphasizing that "Russia views the United Nations and the Security Council of the United Nations as a central element of a stable system of international relations".[115] With the United States, an equal strategic partnership "on the basis of shared interests" is desired, having in mind "*the key influence of Russian-American relations on the international situation as a whole*".[116] Regarding NATO, Russia wants to develop relations with it "on equal basis and in the interest of general security in the Euro-Atlantic region", with a warning that these relations are determined by the Alliance's plans to extend its military infrastructure towards Russia's borders and to take over global functions contrary to international law, which is unacceptable for Russia. In the future these relations will depend on the Alliance's readiness to recognize Russia's legitimate interests, to respect international law, and to "seek the new tasks and functions with a humanist orientation".[117]

   Russia's choice of the means for provision of national security is congruent with its vision of a multipolar international order based on international law and

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[111] *Стратегия национальной безопасности Российской Федерации до 2020 года,* op. cit, I(6).

[112] Ibid, IV(1(29)).

[113] Ibid, IV(9(93).

[114] Ibid, II(9).

[115] Ibid, II(13).

[116] Ibid, II(18) (emphasis added).

[117] Ibid, II(17).

the principle of equal security for all, along with a pursuit of preserving territory and independence of a state with a vulnerable geographical position. The assessment that Russian-American relations have the key influence on the international situation as a whole means that authors of the Strategy do not see the United States only as a main threat, but as the main potential ally in establishing the desired world order. To transform from a threat to an ally of Russia, the United States have to respect legitimate Russian interests, which is no less than recognition of Russia's identity as described above. The U.S. Strategy speaks much more about the use of force. In the box titled "Use of force" it is written that "military force, at times, may be necessary to defend our country and allies or to preserve broader peace and security, including by protecting civilians facing a grave humanitarian crisis". Force should always be the means of last resort, and be applied after careful calculation of costs and benefits. "The United States must reserve the right to act unilaterally if necessary to defend our nation and our interests, yet we will also seek to adhere to standards that govern the use of force".[118] At another place it is claimed, nonetheless, that American leadership is "too narrowly identified with military force", so that "our enemies aim to overextend our Armed Forces and to drive wedges between us and those who share our interests".[119] Therefore, the essence of American activities in terms of ensuring national security cannot be reduced to unilateralism; the Strategy gives much space to bilateral and multilateral forms of cooperation with others. Unlike the Russian Strategy, the American Strategy gives a more detailed view of bilateral relations with various actors — from reinforcing the relations with allies who share values with the United States, over building the cooperation with "new centers of influence" on the basis of shared interests, to the engagement with enemy states in order to give them a chance to change their course.[120] This is an example of justifying the interference in the internal affairs of other states. Russia, which "has reemerged in the international arena as a strong voice", is seen as one of the new centers of influence.[121] The United States should cooperate with it on the basis of mutual interests, especially when it comes to nuclear weapons. However, the Strategy does say that "the United States has an interest in a strong, peaceful, and prosperous Russia that respects international norms… We support efforts within Russia to promote the rule of law, accountable government, and universal values… we will support the sovereignty and territorial integrity of Russia's neighbors".[122] Besides emphasizing the need to act multilaterally

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[118] *National Security Strategy,* op. cit, p. 22.

[119] Ibid, p. 18.

[120] Ibid, pp. 3, 41–45.

[121] Ibid, p. 8.

[122] Ibid, p. 44.

"through a wide range of frameworks and coalitions",[123] there is an implicit support for the concept of "coalitions of the willing": "But when international forces are needed to respond to threats and keep the peace, we will work with international partners to ensure they are ready, able, and willing".[124]

The emphasis on unilateral action which includes the use of force when it is necessary, as well as the "coalition of the willing" concept, is in accordance with the American universalistic orientation which assumes that what is good for the United States is good for the world. Those who accept this are partners, and those who do not are punished by exclusion — either from the collective management (new centers of influence), or from the very order (enemies). However, this exclusion is not seen as permanent, but it lasts only until the actor in question changes according to American will, by U.S. interference in its internal affairs. As it is shown, the Strategy considers Russia as one of the actors whose change is desirable for the United States.

In conclusion, the Strategies of Russia and the United States envisage incompatible means of ensuring national security, which is congruent with the incompatibility in their respective values and threat perceptions. Full mutual understanding is impossible as long as Russia sees multilateral action as means of support to the multipolar system in which it would preserve its status of an independent great power, while the United States act as a threat to this vision of multilateralism by relying on unilateral (and through coalitions of the willing) use of force, at the same time aspiring to change their opponents (including Russia). Application of the means determined this way can only redraw the boundaries of the two countries' incompatible identities and thwart their rapprochement, which has indeed happened in the recent period.

Conclusion

The comparative analysis of national security strategies of Russia and the United States shows that there is a total match between their contents in terms of basic values, perceived threats, and means of ensuring national security on the one hand, and incompatibilities of the two states' identities listed in Table 2, on the other. The Strategies are just another stage in the performative reproduction of these countries' respective identities, which assumes that Russia and the United States still see each other as a threat. The United States is still the power that sees its own purpose in construction of the new world order under the American leadership, and based on universal (in fact, American)

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[123] Ibid, pp. 46-47.

[124] Ibid, p. 48.

values. Russia still insists on its status of an independent great power, which would participate in the collective management of the world on an equal footing with other powers, whilst preserving its own internal uniqueness. Despite the unquestionable results of the latest attempt of rapprochement between the two powers in 2009-2011 period, an interpretation (from the viewpoint of performative theory) of their national security strategies adopted in this period leads us to a conclusion that this process' briefness and incompleteness were quite expected outcomes. Establishing real partnership and friendly relations between Russia and the United States in the future would require changes in the discourse of danger, which would have to be expressed in their strategic documents in a way that does not assume their view of each other as a threat.

Is this possible unless at least one side forgoes its own identity in favor of the other? In my opinion, it is. Campbell's history of constitution and reproduction of U.S. identity shows that the list of American domestic and foreign enemies has changed over time; therefore, the expectation that Russia will remain a U.S. arch rival for eternity would be unfounded. On the other hand, despite its uniqueness, Russia still sees itself as a European power close to the West, while in the United States it finds the key potential ally for world management. For a successful rapprochement between Russia and the United States, it is necessary for them to find the basis of a common identity. This could happen if they would similarly react to some common threat which they view as more significant in the long run, rather than the threat they see in one another. Over time, the boundaries of this common identity would get fixed, while each of the sides would partly retain its unique features, but the new discourse (dominated by the new common threat) could make these unique features compatible. Wheather that potential common threat comes from the challenge of China's rise, or from global environmental disasters, or from alien invasions — it is all the same. By analyzing the future strategic documents from the viewpoint of performative theory, it will be possible to anticipate the trend towards such an outcome.

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Aleksandar Jazić[1]

International Activities of Cities: Constraints and Opportunities for Development of their Public Diplomacy[2]

ABSTRACT

Cities and local communities are becoming more independent from central government authorities in international scene. Decentralization has enabled local communities to act independently on the international scene. This is one of the reasons why local communities have become important partners of central government authorities in international affairs. Many state problems have local origin and local communities are important agents in solving these problems. Sharing experience among cities from different countries has strengthened their position at the national and international level. Local communities have instruments to strengthen their position at the international level. In the cities strategies for acting at the international level, the development of public diplomacy is an important element. The position of public diplomacy in such strategies depends on the state constitutional system and available resources of the cities. Constraints and opportunities for the development of cities' public diplomacy are much determined by their relationship with higher levels of state hierarchy. Mutual interests of different levels of state hierarchy and willingness to join efforts are the key factor that influences the development of cities' public diplomacy. On the other hand, cities have got capital, experience and knowledge which are important for solving global issues. That is why cities are recognized as an important partner at the global level. International organizations are developing partnerships with cities and transnational city-

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[2] This paper has been realized within the project "Serbia in the contemporary international relations: Strategic directions of development and firming the position of Serbia in the international integrative processes – foreign policy, international economic, legal and security aspects" of the Ministry of Education, Science and Technological Development of the Republic of Serbia, evidential number 179029, for the period 2011-2014.

networks. These are some of the reasons why central governments are forced to include cities in foreign policy activities. In such circumstances, cities and local communities are very active in the development of their public diplomacy. This is especially important for the cities that generate a large amount of local incomes. Public diplomacy is an instrument that the cities use to promote themselves on the international level and thus generate more income.

Key words: cities, local communities, constitutional system, intergovernmental relation, twinning, transnational networks, globalization, diplomacy, foreign policy, public diplomacy, 'diplomacy from below', international relations, international organizations.

Introduction

Changes in international arena and coming up of new agents has influenced the states and their role in shaping international relations. Economic globalization changes the meaning of borders and flow of capital, goods and people. This circumstances force states to make internal changes related to legal hierarchy and the position of different levels of government. Decentralization is the process of adapting state constitutional system to the new conditions in international politics and economy. Through the process of decentralization local governments, including city governments, get the opportunity to conduct international activities without participation of central governments. These activities slowly enable cities to conduct diplomatic activities which are defined as 'diplomacy from below'. It is one of the main preconditions for the development of city public diplomacy.

Public Diplomacy is in its core associated with state agents with the aim to influence the population of a foreign state, but without making connection to the authorities of that state. States have such possibilities because of their economic strength and the position in international relations as one of the key agents. In the begging of XXI century, the situation is changing because local communities, especially cities, have more and more share in a country's GDP.[3] In this respect, the voice of city becomes stronger in state political system as well as its economic possibilities to independently establish international

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[3] In 2010, the share of Budapest in total national GDP was around 40%; For more details see: "Gross domestic product (GDP) (2007–)", *Hungarian Central Statistical Office*, Internet: http://www.ksh.hu/docs/eng/xstadat/xstadat_annual/i_qpt013.html, 17/02/2013; In 2010, Vienna had the Gross Regional Product of more than 75, 5 billion of euros which was 26,4% of total national GDP. Vienna's share was in this year up for 10% higher compared with Upper Austria region, which was second on the list; For more details see: "Gross regional product 2010 by Länder (NUTS 2): overview", *Statistics Austria*, Internet: http://www.statistik. at/web_en/statistics/national_accounts/regional_accounts/nuts2-regional_gdp_and_main_ aggregates/index.html#index1, 17/02/2013.

connections. Still, there are some legal constraints which prevent cities to act alone in international arena. These constraints come from state constitutions and hierarchy between local and central governments. Requests for more political rights and need for better life conditions force states to decentralize their political systems. Regarding requests for more political rights, they are usually related to wider inclusion of citizens in political decision-making processes. Need for better life does not only imply higher living standards but also better quality of services provided to citizens. Complex economic and political situation in the world force central governments to employ all available resources to meet the above mentioned requests. Such resources are very often found on the lower levels of state hierarchy, that is to say local and regional governments, because the requests that we have mentioned before often come from the lower levels of state political system.

Decentralization of political systems often presumes the right of local communities to act independently in international arena, but in accordance with the constitution of their country. Local communities and cities in different countries have the same issues and the best way to solve these issues is mutual cooperation. That is way local communities and cities from different countries use their right to act independently in international arena to establish mutual cooperation. One way to establish connections between cities and different governmental and non-governmental agents from foreign countries is public diplomacy.

1. A brief historical review of local communities and cities' international activities

International activities of local communities and cities go back before the First World War. These activities were an attempt of local communities and cities for closer cooperation and more influence on international level. The first step was founding International Union of Local Authorities/Union Internationale des Villes (IULA/UIV) in 1913. IULA/UIV attempted to establish closer cooperation between local communities and cities through inter-municipal network. This network consisted of congresses, conferences and writing. The goal was to make local communities, especially cities, stronger in technical and organizational sense. IULA/UIV had pacifistic character, which was not popular in some states because of the events and circumstances that preceded the First World War. Also, pacifistic character and independent actions in international arena prevented states to have control over actions of this organization and its members. That was one of the key reasons for some states not to support IULA/UIV. After the First World War, pacifism was the biding element that kept members of IULA/UIV together and enabled them to overcome differences resulting from the First World War. Despite the fact that IULA/UIV had no support in most states, the situation was the same on

international level in the interwar period. The League of Nations had big problems when it came to relations between the states and was not interested in local issues and international solidarity on the local level. This had great influence on the legitimacy of IULA/UIV's activities, its strengthening and development. Other organizations like International Labor Organization (ILO) had no interest to support IULA/UIV because ILO was focused on creating strong organization of working class on international level. In that sense, IULA/UIV was an obstacle for ILO in pursuit of their interests. The lack of political interests of IULA/UIV inspired the activities of local communities and cities after the Second World War and was the basis for the development of twinning.[4]

The foundation of IULA/UIV and its activities were an attempt of local communities and cities to establish closer cooperation and make more influence on international level. However, it was only with the begging of the twinning practice that such cooperation made real results. The twinning practice strengthened the position of local communities, especially cities, and enabled them to act more independently.

Twinning — cooperation of cities on international level

The end of the Second World War made new obstacles to re-establishing solid relations between states that were on the opposite sides in this conflict. This led to the development of mutual relations between the cities from such states through twinning-projects. At the begging, the cities involved in this project were the ones from the Western Europe, Germany, Eastern Europe and United States of America (USA). The states were not active enough in the area of conflict resolution, so the cities undertook this role. Also, interaction between the cities aimed at post-conflict reconstruction.[5]

Twinning started as an attempt to strengthen peace in Europe after the Second World War, especially through connecting local communities from France and Germany. This attempt was primarily aimed at creating links between the cities. It was presumed that the development of cooperation on local level will remove some obstacles in interstate relations. At that time, relations between states were burdened with the events from the previous war. The only way to start reconciliation between the states in Europe was to start with the local level and develop cooperation between cities and other local communities. There was hope

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[4] See: Michael Herbert and Shane Ewen, "European cities in a networked world during the long twentieth century", Estudio/Working Paper, 82/2007, Madrid, pp. 9-12.

[5] See: Rogier van der Pluijm, "City Diplomacy: The Expanding Role of Cities in International Politics", *Clingendael Diplomacy Papers No. 10*, Netherlands Institute of International Relations "Clingendael", The Hague, April 2007, p. 20.

that this cooperation will inspire central governments to make more efforts and develop cooperation on the central level as well. Eventually, twinning did make good results and great contribution to removing obstacles that appeared as a result of the Second World War.

The most important characteristic of twinning is that it is a permanent form of cooperation between cities on international level. Twinning can have many forms and contents and it helps create projects which positively influence a city development. Some of the results made by twinning are the exchange of experiences, knowledge and establishment of cooperation. Intensification of integration processes in Europe influenced the development of twinning in a positive way. First, this process has made cities an important partner in economic integration processes. Second, cities got better position in economic development of Europe. Recently, actions within the twinning framework have been focused on better inclusion of citizens in cooperation between cities and local communities.[6]

Twinning brings along valuable benefits to cities and other local communities. Some of them should be mentioned here. *Learning based on practices of twinning partners* is an opportunity to establish international contacts and exchange knowledge. Through these contacts, the representatives can get new ideas and improve services to their own citizens. *Development of human resources* is achieved through contacts with foreign partners. This way local officials gain new knowledge and experiences based on international practice. *Raising awareness of some issues* through international cooperation gives city and other local officials the opportunity to become more familiar with the key problems of cities and local communities at European and international level. *Access to many funds* is the opportunity for cities and local communities to receive funding for important project. In most cases, the term for receiving such funds is cooperation with one or more foreign partners. Twinning is a good way to find foreign partners which are interested in joint projects. Economic and business development is encouraged through the contacts established between the citizens and partner city companies or their local community. Apart from cooperation between cities and local communities, good connections and trust is established between individuals, NGO's and local companies. Such cooperation can develop without the participation of city and local community officials.[7]

In addition to the usual activities of the twinning-projects, cities start to engage in solidarity activities with other cities over some time. Twinning-projects are mainly concerned with the economic interests of stakeholders but

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[6] See: *Pojmovnik decentralizacije*, Kancelarija Nacionalnog saveta za decentralizaciju Republike Srbije, Beograd, 2011, p. 19.

[7] See: *Bratimljenje opština – put ka bržem razvoju*, Stalna konferencija gradova i opština (SKGO), Beograd, oktobar 2007, p. 8.

there is always some space for 'idealistic' goals aiming at global issues. For instance, in reference to apartheid issue in South Africa in the late 80's, Western Cities engaged in establishing a twinning-project with towns from this African state. They wanted to show their disagreement with the apartheid policy and solidarity with black population.[8]

Besides cultural exchange as the one of its primary elements, twinning-projects now include advisory assistance to the partners who need it. In this sense, cities were especially active after the Cold War and during the 90's. It is the time period when some of the Central and Eastern European states set the accession to the European Union (EU) as their goal but lacked expertise, knowledge and experience. Twinning-projects include advisory assistance in the forms of city-to-city and person-to-person. This was the case with the above mentioned states and involvement in the process of joining the EU. In that time period, the assistance of colleagues from the Western Europe was crucial. It is the same situation now with the Balkans. The resulted is a more specified model of cooperation within the framework of twinning-projects. Changes refer to joint projects implementations, more professional approach to the establishment of the very process of a twinning-project and more efficient use of resources. Main reasons for such changes are related to unfavorable position of the cities from the Balkans in many aspects. Such position of the Balkan cities is associated with the urgent need for expertise and possibilities of applying for the funds intended for twinning-projects. Many municipalities, towns and NGO's from the Balkans are engaged in EU-funded projects through official EU agencies. For example, there have been 49 projects implemented in Serbia with the municipality partners from the EU recently. These projects refer to many aspects of local development, ecology, planning and participation of citizens.[9]

In reference to the previous two paragraphs, the conclusion is that twinning has been the foundation of developing international relations and networks between cities. Twinning expands cities' field of influence and allow them to learn more about acting on international level. Also, this kind of partnership has been successful in solving many local problems. The development of international relations after the Second World War showed that many problems started locally. That is one more reason for cities and local communities to become important partners in solving these problems. The acknowledgement of the importance of local agents has opened the door to their involvement in the activities of public diplomacy.

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[8] See: Rogier van der Pluijm, "City Diplomacy: The Expanding Role of Cities in International Politics", loc. cit., p. 15.

[9] See: *Bratimljenje opština — put ka bržem razvoju*, loc. cit., pp. 5–6.

International activities of cities — constraints and opportunities

Cities, as well as governments at the local level, have got specific position in a state political, economic and legal system. On the one hand, they are often in the middle of international activities while on the other hand, their position is constrained by the regional and central authorities. So, the position of cities and possibilities to act independently at the international level depends much on their relations with regional and central authorities. Constraints and partnership between a city and other two levels of government are often mixed and dependent on the interest of all three parties (local (city), regional and central government).

As stated at the begging of this paper, the exclusive participants of international activities are nation-states. Development of contemporary capitalism has made the role of cities in global market more important. Cities are places where much of the world trade is made and economic gain achieved. Also, human activities are mainly concetrated in cities and such urban communities are places where people make connections. This is one of the important reasons why there is inconsistency between practical and legal position of cities and other local communities in the XXI century. The main legal constraint is the legal status of municipalities which are the parts of urban communities (cities). Many legal constraints are imposed on municipalities in view of their acting autonomously on international level and this also goes for cities. Legal contraints are mainly connected with the position of municipalities in state constitutions and their income (transferred or autonumsly earned). Still, there are some possibilities for cities and local communities to influence central government authorities. For example, these possibilities are: dual mandate system, importance of political practice at local level for further political career or many opportunities for making contacts between local politicians and the representatives of central government and other higher levels of state hierarchy. In the field of international activities, relations between cities and central authorities can have two patterns. The first pattern presumes joint and complementary diplomatic activities in international arena. The second pattern could have negative influence on the position of central government because international activities of cities can be used to criticize central authorities and place new demands regarding the position of cities in state hierarchy.[10]

So, the first pattern gives better opportunity for local communities and cities to develop their public diplomacy activities. Common interests in international relations would contribute to a greater appreciation of the interests of local authorities in the national constitutional systems. It would be reflected in cities

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[10] See: Daniel Kübler and Jolita Piliutyte, "Intergovernmental relations and international urban strategies: constraints and opportunities in multilevel polities", *Environment and Planning C: Government and Policy*, Vol. 25, p. 357 and pp. 360–62.

being vested with more powers when it comes to their acting autonomously in foreign policy matters. The logical consequence of more independent foreign policy of cities is the development of its public diplomacy. That is why the primary task of local communities and cities is their influence on central authorities to improve their own legal status. It would make balance between political importance and legal status of all local government levels.

Professor Daniel Kübler and Jolita Piliutyte highlight the relationship with regions (middle level of government) as another constraint for cities to act independently at the international level. Over the years, regions have become very strong and today they are important partners of central government in implementing different development strategies and plans, even if such plans directly influence the position of cities. Still, the partnership between regional and local (city) governments is important for economic development of both levels in state hierarchy. Apart from representing markets and places of business linkages, international activities of cities can attract more financial investments which directly influence the economic stability of the whole region. This is the opportunity for cities to get more support for their own public diplomacy activities. It must be emphasized that major international events are organized in the cities, which is important for development of city public diplomacy. A good example of this is Olympic Games since only cities can get opportunity to organize such an event. However, cities do not have enough resources and expertise to organize Olympic Games on their own so the support of the regional authorities is important in such a case and this is the opportunity for establishing closer local-regional relations.[11]

Today, the position of cities in the global market is important for economic development. Strategies of city presentation and networking on the international level can significantly contribute to this effort. This strengthens position of cities in their relations with regional authorities because both sides are forced to make joint strategy regarding international activities. Uncoordinated activities or parallel activities would have no result in contemporary political and economic competition. It is a chance for cities to impose themselves as an equal partner of the regions. It proves that cities are no longer just territorial units integrated into regional or central authorities. In the XXI century metropolitan areas are city-regions economically stronger than most other regions in the country.

Strong constitutional system would not threaten the authority of the central government if the lower levels of government, and especially cities, get more powers to act independently on the international level. Therefore, there is no need for the central government to impose restrictions on the lower levels of government in their international activities. The previous paragraphs give evidence that the central government should provide legal and political opportunities to lower levels

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[11] *Ibid*., pp. 362–64.

of government, particularly cities, to be actively involved in the international field. In globalized political and economic relations, the opportunities for the lower levels of government to act internationally given by the central government authorities can result in mutual benefits.

International activities — grounds for city public diplomacy

A precondition for cities to act internationally is the legal grounds. Decentralization and proper position of cities and other local communities in the state hierarchy is what determines the ability of cities to create strategies for action on the international level. Also, the support of central governments and better inclusion of lower levels of government in some foreign policy activities would give local communities, especially cities, more possibilities to gain experience in international affairs. It would directly improve the quality and efficiency of local and city strategies for acting on the international scene.

Globalization has got crucial influence on the internationalization of political, economic and cultural relationships which in turn have an effect on each agent in the world arena. These agents wish to become entrepreneurs in the world market. Cities and other local communities are no exceptions. The development of economic relations between cities results in establishing political cooperation. The goal of this cooperation is better position of cities and improvement of their competitive advantages. As for local public diplomacy, there are many activities and actions on international level that urban and other local agents could take to improve their political and economic position. Some of them include, as already said, fostering city or local community competitiveness, lobbying at international and supranational levels, showing solidarity with the Global South and standard activities involving 'bottom-up diplomacy'. The key problem of cities in their attempt to attain better quality public diplomacy is the lack of strategy for acting on international level. Some of the reasons are diversity of agents involved, ability of cities to act autonomously and variety of political sectors. Still, there are two strategies for acting internationally. Which one will be implemented depends on political rights that cities and other local communities have in the constitutional framework of their states. However, these strategies do exist in cities. *The first* strategy can be found in the cities where local political institutions and organizations have got legal capacities and resources to produce such a document. *The second one* can be found in the cities without these characteristics; there are only lists of the most important international activities which include bilateral cooperation, formal involvement in city networks or taking part in major events. These cities also, as a part of their international activities, may have interviews with important persons in international relations, heads of international organizations and can analyze public documents. When it comes to international activities, both strategies have got three

main orientations: economic, political and social. ***Economic orientation*** implies the elements concentrated on economic growth. The strategy dominated by economic orientation should increase the attractiveness of the city in the global economic and financial areas. Cities can take comprehensive or *ad hoc* actions to fulfill this objective. Some of these actions are: promotion of the new and modern image of city, urban renewal projects or investments in the development of public transportation according to modern standards. Cities are well organized when performing activities to foster economic growth. For this purpose, cities rely on special agencies, especially when trying to host big regional or world events. The best example is bidding for the organization of cultural and sports events, and in this case hosting the Olympic Games is one of the main prizes. Hosting the Olympic Games has a direct effect on the economic growth of the host city through variety of investments, or indirectly by making better reputation of the city and implementation of marketing activities. Partnership between city and other economic agents is the ground for the implementation of economically oriented strategy. Another contribution of such strategy is closer relationship between urban political and economic agents. Using political instruments is common in the orientation towards economic development on the international level. For example, city activities through transnational networks to position themselves better in the region could have indirect economic effects. The reason for this is economically oriented strategy which drives the city to compete with other cities at the regional level. In strategies dominated by ***political orientation*** the focus is on the position of the city in its political environment. This focus can have general or more specific goal. The general goal presumes an attempt to take the leading position in city networks or coalition of cities, as well as lobbying at higher levels of political decision making. Also, in view with the general goal, the activities of 'bottom-up diplomacy'are very important. As for the more specific goal, it presumes cities' acting as policy makers. In such acting, the city officials wish to take part in European Union (EU) policy making, which would result in better position of cities in legal system of EU member states and in EU bodies. To this end, cities usually make use of the framework of the Eurocities and the Committee of Regions. Their main goals are getting more resources which are not always financial but may be solutions for some of the key urban problems as well. ***Social orientation*** implies solidarity and cosmopolitanism. It includes many aspects that are connected with individuals and their lives' quality (fight against poverty and social inequality, support to sustainable development, human rights and peace agendas). Cities with such orientation are fighting against social costs of globalization which generates problems that have bad influence on political, economic and social stability all over the world. This kind of city's activities has two directions. One direction is direct influence on international agendas and the other is direct action against inequality in the world. Social orientation directly strengthens human rights and civil society, because this orientation includes non-institutional agents. These agents are groups

and associations of civil society that have an opportunity to contribute mayor's strategies and take part in international activities of cities.[12]

It may be concluded that the choice of strategy is conditioned by the problems that cities face in their economic growth, finances, living standards and social problems. Politically oriented strategy will be inherent to the cities with unsolved problems and position in the state legal system. On the other hand, the cities which have achieved economic stability and high standards of living can afford to join activities in solving global problems.

Cities, as well as other local communities, have become one of the agents on international level. Still, they are not strong enough to take greater part in shaping international agenda. The important thing is that cities have enough abilities to act autonomously on international level. What is more, they are able to take real actions to address real problems around the world. Such actions can result in solving the problems. Resources and positive state legal framework in respect of city powers are preconditions for more effectiveness of city public diplomacy on international level. This is especially true when it comes to socially oriented cities which are willing to take real actions regarding social problems in the world. Such actions are real opportunity for cities to take the independent activities of public diplomacy. If these actions in the framework of public diplomacy give positive results, the importance of cities will be additionally recognized. In that way, cities will get more credibility to make an influence on national, supranational and international agents, which will let them to take part in shaping international agenda.

There is one more argument saying that the partnership between the lower government levels and the EU is important for more autonomy in their international activities, as well as the partnerships and networks of cities and other local communities. The EU already allocates significant funds for functioning and development of city networks. This is the way for the EU to be directly involved in policy making at regional and local level. That is why the EU strongly supports networking and the development of cities and local communities. Establishing cooperation with the EU bodies and lobbying of these bodies are not simple tasks, so networking of cities and local communities can fill in the gap with knowledge and experience of how to do it.[13]

It may be concluded that there is a common interest of the EU and city authorities when it comes to these activities. First, in this way the EU bypasses the central governments and tries to be more of an independent player. Second,

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[12] See: Christian Lefèvre and Ernesto d'Albergo, "Why cities are looking abroad and how they go about it", *Environment and Planning C: Government and Policy*, Vol. 25, pp. 317–22.

[13] See: Nico van der Heiden, "Urban 'Foreign Policy' and Domestic Dilemmas in Swiss and European City Regions", Paper for the ECPR General Conference, Pisa, 2007, pp. 16–7.

city authorities want more rights and opportunities for independent actions, especially on the international scene. There is mutual interest of both parties in getting a better position in their relations with nation state that is with central government authorities.

What is public diplomacy and how can cities develop it by themselves?

Public diplomacy is one way of state promotion abroad, which is especially well-developed in Western countries. Also, the countries from Eastern Europe and great powers from other parts of the world are slowly developing their public diplomacy activities. The purpose of public diplomacy is to promote and present a country's own values abroad. In this way, the country can become easily recognized in those countries which are far away from it. It opens the door for public diplomacy goals and influences the population of the foreign country. Public diplomacy usually aims for the countries which have negative attitude or are indifferent towards those countries performing such activities. Dušan Vasić believes that public diplomacy involves "organized activities of public sector in a country towards civilian structures of other countries, combined with the involvement and contribution of the various stakeholders".[14]

Further to Dušan Vasić's opinion, it might be concluded that public diplomacy activities bypass the institutions of central government. The only direct contact is the one between the state conducting such activities and the population of the foreign country. Also, it might be concluded that public agents as well as the lower level of state hierarchy can be subject to public diplomacy. It mean's that cities are no exception to this way of communication on international level.

Globalization significantly changes the role of states and public authorities. It also influences the possition of other levels of government in state hierarchy. In order to keep the position and further develop their capacities, cities are connecting through a variety of partnerships and networks on an international scale. It is another process which weakens the authority of central governments. National states are trying to be more competitive on the global market by offering significant economic benefits to multinational companies and other international economic agents. Still, in the era of globalization cities are nodal points because they link domestic economy with the global market. It is one of the main reasons for the improved geoeconomic position of cities on the national and international level. On the national level, one of the aspects of

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[14] See: Dušan N. Vasić, *Preventivna diplomatija — teorijski okvir, normativni okviri i političke kontroverze*, Službeni glasnik, Beograd, 2010, p. 104.

decentralization is gradual orientation towards favouring new sub-national territorial configuration such as cities.[15]

Based on the previous paragraph, the conclusion might be that there are good reasons and opportunities for the development of city public diplomacy. Public dimplomacy can increase chances of cities to establish new partnerships and become involved in various networks. From the economic point of view, public diplomacy can indirectly stimulate economic growth by city promotion and connections with international economic agents. This is especially interesting for central governments because they are interested in attracting new invetments and businesses.

From the standpoint of a country, it is very important to note the four impacts that public diplomacy can have. These are as follows: people becoming more familiar with one's country, people appreciating one's country, engaging people with one's country and influencing people.[16] All that has been presented in this paper so far leads to conclusion that cities can achieve the same impact. Of course, in relation to the population of other cities.

To understand better the existing forms of city public diplomacy and the ways of its further development it might be useful to analyze dimensions of city diplomacy, or 'top-down diplomacy'. This analysis is also important because the activities of cities in international relations are evolving. International activities of cities have many dimensions but Rogier van der Pluijm distinguishes six most important. ***Security*** is the first dimension and this is nothing new since it evolved from twinning-projects after the Second World War. It is not one of the crucial tasks of cities but, as we mentioned above, many problems which lead to conflict have their roots at the local level. That is way cities are making more efforts to deal with conflict resolutions. Also, local agents are best familiar with the local problems. There are two important characteristics of cities that can contribute to the efficiency of cities in conflict resolutions. First, they do not have armed forces and their approach to conflict resolution does not contain military point of view. Second, unlike states, cities do not symbolize myths and traumas and their participation in conflict resolution is perceived as more neutral. Security is one of the main preconditions for development and vice versa. In this context, local development depends much on good governance. So, the main foreign policy goal of cities is the development of good governance at the local level in unstable areas. This goal is not economically motivated but more related to the idealistic goals of cities in foreign policy. There are three phases of conflict in which cities take part in finding

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[15] See: Nico van der Heiden, "Urban 'Foreign Policy' and Domestic Dilemmas in Swiss and European City Regions", loc. cit., pp. 2–5.

[16] See: Mark Leonard, Catherine Stead and Conrad Smewing, *Public Diplomacy*, The Foreign Policy Center, London, 2002, pp. 9–10.

resolution: before any violence occurs, during the conflict and when the conflict is over. ***Development*** is the second dimension and the leading motive behind this engagement of cities on the international level is solidarity. The actual changes are related to the recognition of the fact that the older form of development assistance (top-down assistance) is not always efficient. This change is motivated by two facts. First, local needs are best identified by local agents and, second, development starts at local level. That is why cities and local governments are getting more significant role in development assistance on the global level. There are some differences in the participation of cities in development assistance. In some cases mayors of the cities involved establish and maintain direct contact while in other cases the main agents of the contacts are civil servants or citizen's associations. In the latter case, international contacts are coordinated by city governments. Still, cities can only set short-term tasks because they lack bureaucracy. This is the point where cooperation between cities and central governments must take place. The cooperation with central government would give cities the necessary logistics support to set long-term objectives in development assistance. Also, this kind of cooperation would contribute to joint activities of the two levels of government become stronger. ***Economic dimension*** is oriented towards self-interest which is motivated by economic gain. Cities have two ways to achieve economic gain from diplomatic activities. The first way is to attract tourists, foreign companies and international organizations, as well as to host international events. The second way is to use the experience and develop by exporting services and knowledge and establishing partnerships with other interested cities. Partnerships are usually established between the cities with common businesses interests. The cities that are considered economically powerful can gain more economic benefits. This is why some of the big cities have their offices abroad to attract more capital, businesses, international organizations and tourists. The organization of big events like Olympic Games also attracts capital. Organization of such big events is not only prestigious but also implies financing mayor construction projects. This makes a better position of city-organizers in inter-urban competition. ***Cultural dimension*** is an important element of city diplomacy in the same way as it is the case with states. For example, this dimension involves interactions between young people from different cities in various forms, official visits of other cities' representatives with cultural themes and creating strategies of cultural promotion. Cities undertake cultural diplomacy not only in the framework of twinning-project, but also through individual contacts with other cities. Cultural dimension in many ways influence the functioning and development of cities according to modern changes at the global level. It means that the development of cultural dimension has an effect on the cities which adjust to adopt modern political, economic, social and technological standards of living in urban areas and beyond. The culture is one of the most important cornerstones of the creation and implementation of cities foreign policy strategies. Still, this

dimension is not yet fully developed and used in cities foreign activities. *Networking* is the fifth and the most important dimension of cities activities on the international level. It is also called cooperative dimension. This is usually practiced by the cities in international cooperation to achieve higher goals related to security and economy. Networking of cities often takes place within a country and serves to protect the interest of cities. Like in some other cases, joint activities of cities on the international level which are oriented towards protection of their own interests go beyond the classic twinning-projects framework. Nowadays, there are specific projects of linking big cities on the global level (Mega-Cities Project) as well as the meetings of official representatives of such cities (M4). This is especially common for the world's largest metropolitan areas. These kinds of networking and cooperation have the same goals: ideas and technology exchange, finding solutions for common problems, etc. Similar networking and cooperation exist on regional levels as well (Eurocities, Council of European Municipalities and Regions, Merco-Cities Network). The main goal of such networks and cooperation forms is to protect the legal status, influence and interests of cities and municipalities in the respective regions. Also, it is good for sharing information and experiences on specific issues. United Cities and Local Governments (UCLG) is the meeting point for international cooperation between the cities. This global association of municipalities supports local interests on the global scale and promotes values of local self-government. Expertise and moral positions were the basic elements for strengthening and firm position of transnational networks on the global scale. The same elements are the pillars of power of these networks today. Transnational networks of cities are important agents on the international level and could represent the starting point for further involvement of cities in the foreign policy of the countries. Networking is the first step towards the development of international cooperation between cities and proper way for establishment of strong structures of transnational networks of cities. This will influence the recognition and appreciation of some international organization of cities. *Representative dimension* supports cities' efforts to take part in the decision-making processes on supra-national level. All the activities of cities aim for representation in international organizations and this dimension joins them in a single and organized course of action. Representative dimension of city diplomacy is highly visible in cases of the EU and the Council of Europe. It should be pointed out that there are two kinds of city representation — within and outside political structures. The main goal of cities in both cases is to influence decision-making processes, but there is a difference in how to achieve this. Committee of Regions (CoR) is the case where the cities have their own role in decision-making processes. Lobbying is an instrument used by cities outside a political institution to influence decision-making processes. For example, cities use this instrument individually or through association such as UCLG to make a dialogue with the United Nations (UN) and many agencies of this international

organization. Such global scale activities of cities will have positive effects on the relationship and cooperation development between state and non-state agents.[17]

We have already mentioned the contraints that cities and local communities have in international activities and development of their public diplomacy. If they cannot influence central and regional authorities, cities can bypass them by joining the processes in upper-state level. The EU is the great chance for that. It has been already stated that cities and local communities could use the influence of the EU to better position themselves in the legal system of their countries. The best way to do that is by establishing close contact and lobbying the European Commission for two reasons. First, this body has the most important role in shaping legislation on the EU level. Second, European Commission often use external expertise in the processes of shaping legislative proposals. Cities have resources such as expertise, information or strategies and could offer them to European Commission. This is the opportunity for cities to better position themselves in the EU programmes. In other words, by providing expertise to European Commission cities can create conditions to include some of their goals in the programmes and policy objectives of this body.[18]

Some of this goals could refer to international activities of cities regarding more legal opportunities for wider development of their public diplomacy. In any case, cooperation between cities and the European Commission may bring cities better position and more respect for their interests. Support from upper-state level such is the EU would contribute to cities' efforts to develop further their public diplomacy activities.

To support the previous statement, we can point out the opinion of Nico van der Heiden who believes that the development of supranational and sub-national levels of statehood is the result of the fact that national states are losing their decision-making capacities. This is influenced by the geo-economic logics. In this situation national states have two choices. First, they can shift decision-making processes towards supranational level (upwards). The examples of this trend are the process of European integration and stronger role of international organizations like the World Trade Organization (WTO). Second, they can strengthen the decision-making capacities and capabilities of the lower sub-national levels of state (downscaling). The focus of the latter option is on the city-regions.[19]

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[17] See: Rogier van der Pluijm, "City Diplomacy: The Expanding Role of Cities in International Politics", loc. cit., pp. 19–31.

[18] See: Daniel Kübler and Jolita Piliutyte, "Intergovernmental relations and international urban strategies: constrains and opportunities in multilevel polities", loc. cit., pp. 368–69.

[19] See: Nico van der Heiden, *Urban Foreign Policy and Domestic Dilemmas — Insight from Swiss and EU City-regions*, ECPR Press, Colchester, 2010, pp. 11–2.

We can presume that central governments would be more interested in supporting the development of decision-making capacities of sub-national levels. There are two reasons for this standpoint. First, stronger capacities of sub-national levels at the international level would have positive effects on economic growth at the national level and internal economic stability. Second, shifting decision-making processes towards supranational level could in the future affect the political and legal independence of states. In the case of shifting decision-making processes towards subnational levels political and legal independence would not be eroded.

Key reasons for international activities of cities and attempt to develop their public diplomacy

Predrag Dimitrijević and Dejan Vučetić believe that „big cities have the leading role in social, economic and political life of their states. The importance of this role is likely to get even bigger in a highly integrated European economic environment. For this reason, larger cities are adapting to the increasing need for change in order to meet the demands of rapid economic development".[20] The same authors empasize that this is nothing new, but it is intensified because of high population mobility. The mobility of population is motivated by better job opportunities and living standards. We can add that the intensification of such phenomenon is influenced by the better mobility of companies and bussineses as well. Rapid urbanization and uncontrolled population growth are the consequences of all the above mentioned phenomena. It can be concluded that the main reason for the growing importance of big cities and the phenomena associated with this process is globalization.

Globalization is the result of technological development and the process which removes all obstacles to the free flow of people, capital and ideas. This has led to liberalization of global financial markets, production and investments. The new economic environment enables international companies to move their capital, infrastructure and products to places with cheaper workforce and raw materials. Cross-border financial and other transactions in goods and services are more frequent. Globalization is not strictly defragmentation process. It also encourages solidarity in some areas where the agents have the same interests in this process. Globalization and its influence result in the changed position of states and their diminished role in international arena.[21]

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[20] Predrag Dimitrijević and Dejan Vučetić, *Sistem lokalne samouprave*, Službeni glasnik i Pravni fakultet Univerziteta u Nišu, Beograd, 2011, pp. 137–8.

[21] See: Ivona Lađevac and Žaklina Novičić, "Globalization and Border Security", in: Duško Dimitrijević, Dragana Mitrović and Ivona Lađevac (eds.), *The Meaning of Borders and Border Issues in the Age of Globalization: Europe and Asia*, Institute of International Politics and Economics, Belgrade, 2012, pp. 129–33.

It is obvious that national states do not have the control over the global processes as they used to have. That is why city-regions and local communities are forced to bypass the central state authorities in their quest for better position in the globalized world. This is specific for economic and financial area. Cities use the international arena for bypassing the national state and connecting with global markets. They try to stay competitive in globalized world since although there is the free flow of capital, international companies still need a place for their infrastructure. Production is still static and this leads to the concentration of capital in some places. Urban areas are usually the right places for such processes and national states are no more capable of regulating the flow of capital in their territory. That is why central government authorities are becoming more and more interested in supporting cities in their attempts to become more attractive for multinational companies and their investments. On the other hand, economic situation and the position of cities is no more determined by the position in the state hierarchy but has to do more with their competition with other cities for better position on the global market. Therefore, the economic behavior of cities is slowly changing in relation to the economic behavior of their nation-states. It is another reason for the lesser importance of the state in hierarchy.[22]

It might be concluded from the previous parts of the article that globalization influences the most a nation state. This is especially distinctive in international relations since the new agents influencing the global scene have appeared. Still, states are the key subjects in international relations but their position is not as strong as it used to be. Today, states are interested in border-security because they are becoming porous with respect to the free flow of capital, ideas and culture. On the other hand, states must allow the free flow of capital and ideas in order to stay competitive on global market. Globalization is a challenge to states' territorial security and therefore they need to find new ways to secure their borders. That is why states need to consider their territory from different points of view, which means that the old approach to border-security must be revised according to modern standards and changes in the globalized world. Modern technology eliminates spatial limitation which results in diminishing central government authority. From this point of view, states need to find a partner in order to keep their position in international relations.[23]

States can make partnerships with other states, international organizations and transnational non-governmental organizations in international arena. Also, because of the international activities of cities and local communities that are

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[22] See: Nico van der Heiden, *Urban Foreign Policy and Domestic Dilemmas — Insight from Swiss and EU City-regions*, loc. cit., pp. 10–1.

[23] See: Ivona Lađevac and Žaklina Novičić, "Globalization and Border Security", loc. cit., pp. 133–6.

spreading their transnational networks perhaps the states could find partners in international arena in these networks of local governments. In this article we are more interested in central-local partnership in international relations than for other forms of partnerships.

It is obvious that nation-states can only indirectly control international activities of their lower level of government because central government authorities are losing their steering capacity in this politic area. Also, it has already been mentioned that although globalization makes it easier for big companies to transfer their capital and resources their production infrastructure is still not so mobile. However, companies are much more flexible in the globalized world when it comes to choosing the place of their economic activity and some local agents are limited in their attempts to become attractive for international companies. This could lead to unfavorable position of some urban and local areas in global economy. Cities' response to these changes in global economy is more dynamic activity on the international level and making transnational connections with other cities and local communities in Europe and all over the World. This will result in the following. First, it will speed up the downscaling of decision-making and local governments will get more political steering capacities. Second, it will accelerate the making of cross-border relationships by cities in order to stay more competitive in the globalized world. That is why cities are forced to act independently from the national foreign policy. The goal of their political activities is to link and make partnerships. This is the opportunity for cities to accelerate the process and put more efforts in the development of their public diplomacy. However, one more thing is important for the development of city public diplomacy. Competitiveness among cities in the globalized world may result in a better position of some cities and the difficult economic situation of others. Public diplomacy could be an instrument for cooperation to prevail over competition. Urban networking is one way to use public diplomacy to stop competition and start cooperation between cities and local governments. Public diplomacy is important as the first step to establishing contacts between cities and local governments. Establishing contacts by public diplomacy could be the starting point for partnership between these subjects. Transnational city and local community networks are good platforms for developing local public diplomacy because these kind of networks offer opportunity for promotion on global scale. Still, acting on global market must follow the logic of economic competition. That is why marketing activities will be important part of cities' participation on global market. This is one more reason for public diplomacy to be further developed by cities.[24]

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[24] See: Nico van der Heiden, *Urban Foreign Policy and Domestic Dilemmas — Insight from Swiss and EU City-regions*, loc. cit., pp. 13–6.

It has been already mentioned that cities have got three orientations in their international relations strategies: economic, political and social. That also applies to their activities in the international economic sphere. Cities that have better economic situation will have social orientation. On the other hand, cities that still struggle with the transition and severe economic problems will be competitively oriented and economic or political orientation will dominate their strategies.

Conclusion

In the future, cities will certainly put more effort to develop their public diplomacy. Development of cities networks is a great opportunity to do that. Still, some constraints regarding state legal systems remain. Overcoming such constraints will be especially difficult in Eastern Europe since these states are still developing their legal and political systems. On the other hand, globalization will bring more challenges to cities and their international activities. Overcoming constraints and challenges will require strong relationships and efficient cooperation of local, regional and central authorities. Central government authorities are especially forced to create favorable conditions for this kind of partnership because it is now obvious that states are slowly losing their privileged position in international relations. Otherwise, states will be forced to join supranational organizations which could undermine their absolute independence in the future. It is much better for the states to make legal and political opportunities for their cities to take part in international relations. This way, the states could keep their independence intact and the cities would contribute to the development and better international position of their states. Nowadays, two things are clear. First, cities are initiators of regional development. Second, there is a common interest in the relationship between states and cities. The first step in better positioning of the cities in international relations is the development of autonomous public diplomacy or their more significant role in the public diplomacy of the states. The states can offer support by including city officials in some aspects of foreign policy. This is important for more active role and better position of cities in international relations. The more active role of cities in solving global problems would make them more recognizable in international affairs. Of course, the cities themselves must put more effort in an attempt to become more recognizable and acknowledged globally. Further development of city public diplomacy is the best starting point for that. As the result of city public diplomacy activities, there will be some economic growth and social problems which are present in every city could be solved.

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Islamic Political Theory :
An Attempt at Theo-Economics[2]

ABSTRACT

This paper discusses Islamic authors' attempt to set foundation to an Islamic economics as an alternative to the global market economy and Europe's liberal economic theory. It focuses on principles, notions and practices of Islamic states and business circles of which the economic systems and policies are based on the Koran and the Sharia. A section of the paper analyses Islamic criticism of secular and humanistic ethics of human rights in Europe and relevant counterarguments. Discussing different definitions of Islamic economics by Islamic theoreticians the paper suggests that this variety of definitions testifies that there is no such thing as Islamic economics.

Key words: theo-economy, Islamic economics, the objective of Islamic economics, theo-ethical criticism of the liberal economic theory, halal and haram deals, definition of Islamic economics.

RATIONALE

The revival of "Islamic economics" in Muslim countries and Muslims' growing tendency towards the neo-Koran ideology are now integral parts of economic and political structures not only of Muslim countries but others as well. Serbia is not an exception when it comes to the interest in the political economy of Islam. And this is quite understandable considering the situation of Muslim population in the country and the fact that Muslims in its political

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[2] The paper is a part of the project *Political Identity of Serbia in Local and Global Context* , the Faculty of Political Sciences realizes with the assistance from the Ministry of Education and Science (project No. 179076.)

neighborhood — in Bosnia-Herzegovina, Kosovo, Albania and Macedonia — are raising practically the same questions as Muslims in Serbia.

The issue of Islam in Europe — especially in France, Germany, United Kingdom, Italy, Switzerland and Scandinavia – but also in Russia and elsewhere has itself produced models for its solution that could be incorporated — if not entirely but partially for sure — into Serbia's human rights standards, political and economic system, cultural development and international relations. Serbia has established different forms of political and diplomatic relations with some 57 countries in which Islam has been or still is a predominant religion. Serbia's relations with Turkey — throughout history and today, and independent of ongoing political and economic developments — have evolved into specific forms of cultural intertwinement that are deep-rooted in Serbia's social and psychological fiber. The rise of Islam in Turkey already visibly influences the issue of Islam in Serbia and the entire ex-Yugoslav region. It is only logical, therefore, that Serbia's local and global position calls for an active approach to the Islamic paradigm. And this paradigm is inseparable from the theory and practice of what is termed *Islamic economics*.

EARLY STEPS

Though Islamic economic postulates were outlined in the first half of the 20th century, it was only since 1960s that the principles of "Islamic economics" have been developed rapidly. They were established by theologians close to Islamic fundamentalism. Ruling elites in some Muslim countries and Islamists in non-Islamic parts of the world insist on their implementation. A growing number of Muslims adhere to these systemic principles — unrecorded in the history of Islam till the 20th century — especially in manufacture, banking, finances and trade. They emerged in 1925 under the aegis of Muslim Brothers, as a form of political resistance to Euro-American civilian and communist ideologies spread all over the globe. Soon they became a benchmark of an allegedly genuine Muslim economic identity and "fundamental" Muslims. However, economic systems predominant in Islamic countries do not operate by these principles but by those of European economies, institutions and laws that protect them, and by the principles that govern vital local markets. Curiously enough, the practice of Islamic economy is even prohibited in a notably Islamic country such as Oman.

If an influential Saudi Arabian economist such as Dr. Mohammad Umar Chapra said that "Islamic economics has a long way to go before it may be able to become a distinct economic discipline",[3] it is only understandable that

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[3] Dr. Muhammad Umar Chapr*a*, *What is Islamic Economics*, Islamic Development Bank, Islamic Research and Training Institute, Jaddah, 2001. pp. 48.

Islamic economics is more discussed as a project task for religious and political circles than as a new practice in economic systems and policies. This is what Chapra said in 2001 though 23 years earlier, in 1989, in Saudi Arabia he received two awards for his work on the development of a new science and new economic-financial management (the award of the *Islamic Development Bank* and "*King Faisal Award*").

Sunni economists are still in the search for a concept of Islamic economics. They are carefully analyzing the achievements of Shiite models in Iran after Khomeini's revolution of 1979 despite the fact that because of Iran's protectionism, abundant subsidies and central planning these models do not correspond to predominant ideas among Sunnis.

MAIN GOAL

The guiding idea of the ideologists of Islamic economics is to strengthen entrepreneurship and make individual entrepreneurs more independent than their European counterparts on the one hand, and to reduce corrective interventionism and planning characteristic of European states, either capitalist or socialist, on the other. Their goal can be summarized as follows: more ethics in individuals and less ethics in a state than in the present-day global capitalist economy; a Muslim must be more committed to just investment and distribution than a European; hence, a Muslim's integrity will be above a European's moral fiber, while an Islamic state will be smaller than a European.

According to Islamist theologians, Muslim individual entrepreneurship must be smaller in scope than European. This is not an economic deficiency, they argue, and not contrary to fact that Islamic entrepreneurs aspire to invest more liberally than Europeans because a Muslim's ethics differs from those of an alleged European: unlike a European, a Muslim has no negative characteristics that weight on an economy such as greed, selfishness, intolerance, cheating, cruelty, prodigality, tendency towards exploitation of people or disregard for the nature. Muslim ethics are almost inherent in a Muslim economist thus making him more synchronized with the society. A Muslim's ethics and scope of action are more restricted than a European's. On the other hand, his actual freedom, cleansed from European "evils," is fully independent when compared with the ethic structure of a European. This is why the guiding idea of Islamic economists is to make micro- and macroeconomics less different from each other than they are in European protectionist economy: they hope to reduce the gap between individual and social behaviors of the employer and the labor force.

In brief, a Muslim entrepreneur has a smaller investment scope and less management freedoms than his European counterpart, but in doing business pays more heed to the ethics of collective interest. He is less in conflict with the

society than a European: hence, interventionism of a Muslim state is smaller than of a European. On the other hand, however, a Muslim state must regulate the whole space beyond a Muslim investor's individual freedoms, either by itself or through the government, or ban all *haram*[4] business deals.

The said goal cannot be attained by denying the achievements of European economy — Islamists and Europeans alike perceive as "classical" or "conventional"[5] — but through their refinement with Muslim economic ethics that turns a *homo economicus* into a *homo islamicus*.[6] This theo-ethics originates from the 7th century Koran, the 10th century Sharia practiced by Mohammed and Muslims, Mohammed's attitude and judgments as described in Muslim "gospels" known as 8th and 9th *Hadish* and from the economic practice all Islamic localities have adopted throughout history through mutual consultation and agreement between communities to respect one another's specific customs — through *shura, ijma* and *urf.* Muslim economic ideologists accept practices of non-Muslim communities only if these practices correspond to their understanding of ethics. Allegedly, they are guided by Mohammed's sayings "Seek knowledge even as far as China…The pursuit of knowledge is a divine commandment for every Muslim."[7]

Islamic theoreticians believe that Muslim religion and historical economic practice embed value judgments that better guide individual attitudes than Europe's Christian, humanistic and secular value judgments, and that a Muslim, imbued *grosso modo* with these judgments, will be more "social" than a European. This lessens the tension between individual and general goals of social development, reduces disputes and social conflicts and turns the corrective role of a Muslim state less important than that of a Europe's. A Muslim will be by far less insistent about his individuality than a European and, thanks to his superior Islamic value judgments, will be primarily guided by social welfare rather than by his own. This is how he will behave even at the cost of his own profit and well-being in order to jeopardize not integrity of the society. This is how he will behave not because of a state's coercion — although the laws will define the notion of sociability — but because he is after heavenly rewards and Hell dreads.

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[4] Arabs write and pronounce *haram* differently and the term, therefore, has at least two meanings. One denotes things that are sinful, wicked and prohibited, and the other denotes a sacred place, unsusceptible to violence and sacrilege. The term is of Semitic etymology. According to some linguists, Arabs took it over from Jews.

[5] Dr. Asad Zaman, *Islamic Economics : Problems and Prospects*, DG, IITE, International Islamic University of Islamabad, 2010. , p. 1.

[6] Zaman argues that Islamic economist have not provided evidence that anything above personal gain motivates a person's deals. Ibid, p. 3.

[7] Chapra, Ibid, footnote 36., pp. 35.

The appeal of heavenly kingdom and the fear of eternal punishment are main guarantees of the implementation of Islamic economic ethics, rather than its plausibility and competitiveness at the free market, although Islamic theoreticians argue that even at the free market this ethics is more efficient than Europe's secular and humanistic (and Christian): it adheres to God's laws. All this invests it with lasting historical and indisputably economic legitimacy. God stands behind Islamic economics — all we have to do is to properly understand his commandments in the context of Koranic laws as Mohammed did long ago and after him, in the "rashidun" past, omaijaden, abysin, mogul, fatimid, osmanli caliphates, thus adding luster to Islam throughout Ottoman territories and all over the globe. That was the time when theology and the society had stronger identity than today.

Supremely authorized to interpret the Koran, the Sharia and Islamic "gospels," Islamic scholars, muftis, are guaranteed the status of lasting authorities in a state and a community.[8] The facts that God's will cannot be disputed and that undermining the significance of Islam is a sin against God exclude the secular, non-Muslim democracy and back a theocratic dictatorship of one-world religion. The civil, multinational and multireligious concept of equality — that is, the European democratic system of competing ideas — is alien to an Islamic state.

First theo-ethical criticism

Islamists' main criticism of European economy is ontological and against ethically "naked" individual. A European is, they claim, a person of loose morals: a European has departed from religion and declared a secular state based on humanistic and civil ethics unrelated to God. Without God there can be no ethics, a human being is an ethic "nudist" in his nature and it was Allah, from Adam to Mohammed, who gave him value judgments: otherwise he would have been among lower species. And yet, a European is not completely unconnected with ethics because his large "welfare" state cushions individual conflicts in economy and beyond it, thus correcting the lack of divine ethics in an individual with the ethics of humanism at the level of the society. But even

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[8] The Sharia is a large collection of legal norms established in the Koran and other Muslim religious books, and the rules and verdicts ruled by Mohammed, his famous followers and Islamic scholars, muftis. Written in the 10th century, the Sharia combines rules and punishments, the latter being models for new punishments for similar cases, by analogy. In this it resembles the British *Common Law*. The Sunni Sharia is in the original, 10th century version, whereas Shiites are constantly adding to their Sharia new rules and actual court decisions — and they can continue enlarging their Sharia until the 12th imam reappears and declares the end of the world.

such mercy, justice, solidarity, charity, assistance and concern for others and a community are forced upon a European and imply an inferior mindset: they are more motivated by selfish policies for avoiding social collapse and conflicts than by an ethic system as an individual guidance.

Up to now Islamist theoreticians have not explained how possibly an individual European can be unethical while his secular state is ethically corrective, ergo divine after all. It is only in macroeconomics, they argue, that a European totters towards divine ethics, while in microeconomics he is confused and challenged by *bellum omnium contra omnes* and can react in a placatory manner only through his government: this is how he tackles protectionism, ecology, regional development, monetary issues, community schooling, public health, defense financing and other general economic problems.

Islamic economists take that European macroeconomics is a product of the remnant of divine ethics in human beings, the sacred ethics their humanism has not uprooted yet; therefore it manages, partially at least, to correct distorted renaissance citizens. So, what saves Europeans is the remnant of God in their state. Probably they also believe that humanism itself — though disproportionate to God's ethical system set down in the Old Testament and the Koran — moderates entrepreneurial conflicts and crises in a country as, after all, humanism is a passable ethical system no matter how less efficient than its Islamic counterpart. True, they do not say this explicitly.

Islamists comment not on European microeconomics (individuals such as employers and hired hands, enterprises, local self-government, etc.) as a part of political-economic systems or on the codes of conduct in entrepreneurship and trade — standards, business investments, work time and paid holidays, local taxes and dues, rules of association in trade unions and chambers of commerce, types of companies and their organization charts, business culture, labor disputes, equality of working women, business law and commercial courts — as products of an entire community's practice and economic ethics applied in local development and global historical "logos" alike that mirror Europe's ethical contribution. It was from Islam, they say, that Europe has taken elements of the same logos such as liberal economy and trade, accounting, bookkeeping, Hindu-Arabic numeral system, cession, the identity of private property and trade freedom, the right to protest, university, etc.

Islamists do not deal with fundamental ethical similarity of micro and macroeconomics: they perceive these two analytical parts of economics as physically separate rather than as a whole. Just because European economists of the 20th century methodologically classified economics into two major types — macro and micro — to make economic policies more efficient, Muslim theoreticians concluded that the two types were based on two different ethical systems. From their point of view, both systems are bad for being secular and

humanistic. Moreover, they argue that the ethical system of microeconomics is so wretched because it empowers individuals to invest for profit only and invest immorally for their sake only it has to seek refuge in a state's dramatic anti-crisis policy, the one supposed to save individualized economy that has betrayed God. Of course, there are Islamic authors who admit that European social sciences are based on ethics but ethics that are just "ethical and social tendencies towards secular teaching that is contrary to Islamic teaching."[9]

According to Islamists, anti-crisis policies of European states, regardless of their religions, do not derive from the very nature of market economy are not motivated by people's inherent incapability to use market for balanced distribution of all social resources; instead, they result from transgression of Allah's code for commercial conduct. Returning to Allah, therefore, is the only way out of a crisis.

Second theo-ethical criticism

Secondly, Islamists criticize a European's secular ethics and the goals of his economic conduct marked by selfish profiteering and the right to immorally free investment. They reproach European entrepreneurs' and employees' "positivistic" nature: employers and the working force alike, they argue, do not have an economic normative system and are, therefore, mutually asocial. Self-consideration and worship of individualism manifest their asocial behavior.

They see the European liberal theory as unethical: not because they are unfamiliar with it but because it suits them to quote only those Euro-American authors prone to neglect that the liberal theory is the ideology *in spe*, arguing that a liberal individual is an incarnation of the human being's eternal natural state rather than an outcome of a long and thorny historical logos. A human's natural state stands for a theoretical model rather than for continuous and unchanging life throughout millennia. And Islamists are well-aware of this, given that liberalism also has its roots in Islam. Mohammed was a strong advocate for market economy and against protectionism. Europeans are familiar with liberal economies of Arabian-Persian caliphates, Mogul and Turkey. Mohammed denied, *ipso facto*, the benefits of uncommercial types of economy in the past or in the antique capitalism of his era.

In this Mohammed goes far beyond Jesus' natural community concept of Jewish life that Zionists and vulgar Israeli socialists tried to develop through the

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[9] Dr. Asad Zaman, *Lectures on Islamic Economics*, *15 lectures, Lecture 2* – Origins of Western Social Sciences, February-March, 2011, III Faculty, https://sites.google.com/site/asadzaman/ . Zaman claims that Islamic authors accepted European delusion that social sciences had discovered the laws of human behavior, that these laws are "positive" and reflect the natural state, despite the fact that such laws are non-existent. There are only God's laws, he says.

20th century kibbutzim and far beyond Jesus' criticism of private property. Mohammed is a clear-cut advocate for the "sanctity" of private property and market economy; he is an apologist of a market freed of monopolies and protectionism. He is actually an early Adam Smith — and not only as the first ideologist of modern liberalism but also as the first statesman who broke out the flag of free trade, 13 centuries before French Psysiocrats and English Liberals of the 19th century.

Nevertheless, Islamists, eager to negate the secular and humanistic model of European entrepreneurship and the European welfare state, label the individual a ruthless and self-centered investor, while his state too big and too expensive because it intervenes in individual conflicts by paying out from budget more than necessary. For them, the European economy is suboptimal in microeconomics and macroeconomics alike. As they criticize crises, banks, solutions to European economic conflicts, commercial associations and monopolies, global distribution of economic power, democracy, ideological freedoms and other factors of the contemporary political economy, they blame "ideological hollowness" of the Euro-American sphere for all the weaknesses of the global economy: the hollowness that is only logical considering that politics and justice are separated from God.

Negation of the European model of humanism and secularism is just a prelude to Islamists: a preface to a new ideology to be launched in the political arena, allegedly God's ideology that, as such, is not a matter of choice but a commandment, and a preface to recomposition of the global economy and distribution of political and economic power to be attained through the spread of Islam. Up to now, however, they have not reached an agreement on how to formulate Islam economics and on how an Islamist "citizen," the newly chosen God's individual, should invest more "socially" than Norwegians, Danish, English, Japanese, Americans and others so as to lessen the strain and types of today's crises, and restore Muslims under the aegis of a just and social God's state. The problem with Islamists is that they are incapable of formulating an efficient theoretical criticism of secularism, liberalism and democracy. Neither can they construct an operating model of a new alternative to the global market society.

This means not that all of their criticism is futile and socially senseless. They deny each and every, past or present, European theoretic-political criticism of commercial society and global distribution of power: they provide well-thought-out arguments against socialism, fascism, Peronism, Nazism, communism, feminism, neo-liberalism, social democracy, etc. And when they speak of Islamic paradigm, they hope it would shed luster on novel solutions.

Some Islamic theorists criticize the attempted Arab or Islamic socialism in 1950s-1970s (Maghreb and Pakistan till the coup d'etat of Zia Ul-Haq) for its

reliance on Soviet and Chinese socialist spheres. On the pretext of opposing communist atheism, Islamists are after restructuring global power. Ayatollah Taleqani of Iran says, "Islamic economics is based on neither unlimited freedom of individual ownership which results in unbridled capitalism nor public ownership which leads to total Privation of individual freedom."[10] On the other hand, some Islamic scholars seem rather attracted by the idea of socialism — though cleansed from atheism. So building on a communist slogan, Abulhassan Bani-Sadr, the first president of the Islamic Republic of Iran after the 1979 revolution, wrote in his book "The Economics of Monotheism", "To produce according to one's capacities, to consume according to virtue."[11]

PRINCIPLES

Contemporary Islamists, especially Deobandis and Wahabbis, insist on two principles of financial deals that differ from conventional ones. One forbids income interest on savings, loans and some bonds — and is called *riba* — while the other deals with forbidden production and services (*haram*), more just distribution of losses and financial risk management — and is labeled *gharar*. Neither of the two principles is of Islamic origin — they both have roots in Judaism, Old and New Testament, ancient Greek and Roman practice, Aristotelian and Platonist philosophies, Hinduism and Buddhism. By taking over these principles, today's Islamic fundamentalists reinterpret them according to new forms of economic conduct. This is what they have been doing since 1940 when Pakistani Maulala Abdul Ala Maududi, the founding-father of contemporary Islamic extremism, begun setting down the rules of Islamic economics.

Throughout history Muslims have never adhered strictly and uncontroversially to the principle that bans income interest the Koran seems to be clear-cut about (Surah al-Baqarah, 2:275, 2:276 and 2:278, Surah Al Imran, 3:130, etc.) — because reis-ul-ulamas have renounced it in their fatwas. So, say, in the 16th century Turkey, in the era of Suleiman the Magnificent, Chief Mufti, Sheikh-ul-Islam Ebussuud Efendi issued a fatwa that justified income interest, almost at the same time when in the West, in Spain, Dominican Francisco de Vitoria taught the same at the University of Salamanca. In the modern times, this was also what Great Imam Sheikh Mohammed Sayed Tantavi preached in the Al-Azhar Mosque in Cairo. In 1989 he justified some forms of income interest (on financial securities or government bonds, *sukuk*). Given the double meaning of the term *riba* denoting usury on loaned money and excessively high interest rate, the advocates for the income bearing interest argue that Mohammed was only against usury that had been abundantly practiced by pre-Islamic Arabs.

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[10] Saeed Mortazavi, *Political Economy of Islam*, Humboldt State University, 2003. pp. 79.

[11] Mortazavi, ibid, pp. 81.

How possibly Mohammed, successful tradesman and advocate of the just commercial law, could be generally against income earning interest and why, after his death, the authors of Koran failed to understand that he had opposed usury only? The history of income interest in the Islamic sphere marked by interest earning on loans might provide one of the answers, though the one not to be uncritically accepted as business circles' proper interpretation of Mohammed's teaching. Another explanation might be that income interests on loans were such a deep-rooted practice, inherent to the one-thousand-year history of loans, that it survived independently from Islamic malevolence to any increment on a loan or debt. This is why *riba* is considered among the seven mortal sins, the fourth after believing in gods other than Allah, practice of magic and unjustified murder. This indirectly explains why interest earning on loans and debts has been so widespread though prohibited in the Koran but proves not that Mohammed was misunderstood. The fact that early Christian theo-economy had also strongly opposed income earning interest till the late Middle Ages when permitted by Henry the Eight of England in the 17th century testifies of Christians' and Muslims' equal understanding of economic teachings of Talmud, Torah, Mihna, New Testament and other writings. Both Christians and Muslim made no difference between "normal" cost of capital, "normal income interest" and usury nor allowed income interest in principle.

And yet, Christianity allowed income interest on loans to non-Christians the same as Judaism had allowed it when it came to gentiles. Early Christianity also permitted income interests on loans to nonbelievers, especially to Jews, the same as Jews earned on loans to non-Jews. The present-day credit relationship paved its way through interreligious cooperation. Under the influence of Jewish pawnbrokers in Lombardy, Europeans had used the procedure known as *contractum trinius* to bypass the ban on income interest until they adopted direct interest charging. *Contractum trinius* obliged a debtor to cash the interest only once he had paid off the entire loan to a lender who had earned on it to a certain extent, and obliged him to compensate the lender in advance for possible losses he might suffer in the case of the debtor's bankruptcy. Repayment of debts was guaranteed by mortgages — a practice especially developed by Templars. The Church approved *contractum trinius* and, hence, enforced claims on mortgaged property given that such practice resembled the traditional pre-Christian banking Jesus had not advocated against. The Church did not demur at pawnshops although they implicitly operated on the principle of income interest: pawnshops' loans to their clients are always smaller than the actual worth of pawned properties for which the clients have to pay more to buy out.

Muslim banks operate in the similar manner today. They do not pay income interests on savings and charge not interest rates to their debtors. However, this is what they actually do in roundabout ways known as *murabaha* and *mudaraba*. A

depositor will be rewarded for his loyalty to a bank — which equals passive interest — while debtors will pay a bank extra moneys for having bought for them commodities they wanted to buy themselves in the first place — which equals active interest. In deals as such banks charge interest rates that are far beyond conventional, almost usurious. An Islamic banker says, "The price for getting into heaven is about 50 basis points."[12] Besides, banks want a debtor to pledge his property to guarantee repayment of the debt or provide government bonds known as *sukuk* the interest on which is fixed – because these bonds were proclaimed *halal*, despite the Koran.[13] Government bonds are one-hundred-percent guaranteed by some public property, whereby a government guarantees that it will compensate an investor in the event the investment fails.

Theo-economic principles of Islam boil down to *halal* and *haram* — to what is allowed and to what is forbidden. *Makruh* is in between — it denotes something that is allowed under the law but is ethically unwelcome (such as smoking, excessive, ritual use of water, etc.). This principle is also founded on ethical deduction of scriptures rather than on their explicit orders. These principles were nothing new to big, pre-Islamic religions: they are to be found especially in Judaism, Brahmanism, Buddhism, Zoroastrianism, Christianity and others. When it comes to diets, hygiene and the use of water these principles are visibly connected with climate in which they originated and medical achievements of the Ancient Era but also reflect adverse effects of economic practice of their time.

Islamic economists revive ancient economic prohibitions by advocating their strict implementation not only in traditional forms but also by spreading religious prohibitions to other forms of production and finances, as well as to commercial forms of culture and entertainment.

This is how they try, among other things, to impose the Islamic system on political systems, culture and education, family laws, social policies, penal codes and other spheres of life. They are echoing the failed European fascists, Nazis and communists' attempts at some new social engineering but are also manifesting opposition to many cultural values of Europe's liberalism. But in economics, no matter how hard they try to form alternative market economies based on theocratic principles, Islamic fundamentalist actually have little space for maneuver. When it comes to spending, they have been usually parroting the Old Testament dietary rules so far. And when it comes to manufacturing and finances they are focused on the ban on some products and services dealing with

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[12] Richard Morais , *Don't Call it Interest,* Forbes, 07.23.07, quote by Alexader R. Alexiev , *The Wages of Extremism*, The Hudson Institute, 2011. pp.101.

[13] In March 2008 in Bahrein Shiekh Muhammad Taqi Usmani, member of the Accounting and Auditing Organization for Islamic Finance Institution — AAOIFI said that 85% of Islamic government bonds were actually non-Islamic. Source: news. bbc.co.uk, December 11, 2009.

meat, gambling and unchastity, as well as on the ban on fixed incomes, all of which they consider unjust though not economically inefficient.

In fact, they are intervening against interest rates and for division of responsibility in creditor-debtor relationship in commercial banking. They are not against government credits and rental income. These are allowed for being *halal*. This is far below what is needed to create an entire new market economy. And speaking of consumer restrictions they have been combining with existing laws — such as the ban on liquor, bloody meat of animals (but not fish), ban on pork and hare meat, etc. — they are more after the revival of religious discipline in the name of God and the control over the population for the sake of power than they are able to justify adherence to the Ancient Age prohibitions against the backdrop of contemporary customer practice. Neither has their attempt to impose economic perception of the terms such as *justice, moderation, fight against pollution and charity* that would basically differ from Europeans' resulted in social gaps smaller than those in Europe nor neared their achievements to Europe's in the domains of ecology and care for the helpless and the underprivileged. Gini index of distributive justice is by far lower in Europe than in the countries of Islamic provenience — either sheikhdoms, kingdoms, military dictatorships or democracies — regardless of the wealth of their ruling elites.

But this has not yet dissuaded Islamists from denying the practice of the Euro-American hemisphere the governments of which impose laws on religious discipline no longer: in the Euro-American hemisphere religion belongs to the domain of individual rights and freedoms, whereas laws guarantee religious "competition" (although state religions do exist in some such as Norway and England) as long as it is not misused to undermine the status of a secular and liberal state.

No doubt that Islamist will continue their search for financial and economic concepts systemically different from European despite the findings of Mariani Abdul Majid's research that testify to the contrary.[14]

DEFINITIONS

Islamists are still far apart on reaching an agreement on Islamic economics. Almost every author has defined it in his own way. This shows how hard it is for them to totally renounce the contemporary market economy and institutions of a civilian state, but also indicates a variety of their starting points for

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[14] Mariani Abdul Majid, *The Efficiency of Islamic and Conventional Banks*, Aston University, p. 2, 2008. She sais: "The results show that Islamic banks have higher costs and reduced outputs relative to conventional banks".

sustainable transformation of the economic ideology of the Koran into a modern economic system and policy. Muhammad Chapra has arranged differing definitions of Islamic economics of Muslim authors as follows:[15]

• Islamic economics is the knowledge and application of injunctions and rules of the Sharia that prevent injustice in the acquisition and disposal of material resources in order to provide satisfaction to human beings and enable them to perform their obligations to Allah and the society (S.M. Hasanuzzaman);

• Islamic economics is a social science which studies the economic problems of a people imbued with the values of Islam (M.A. Mannan);

• Islamic economics is a systematic effort to try to understand the economic problem and a man's behavior in relation to that problem from an Islamic perspective (Khurshid Ahmad);

• Islamic economics is the Muslim thinkers' response to the economic challenges of their times. In this endeavor they were aided by the Qur'an and the Sunnah as well as by reason and experience (M.Nejatullah Siddiqi);

• Islamic economics aims at the study of human well-being achieved by organizing the resources of the earth on the basis of cooperation and participation (M. akram Khan);

• Islamic economics is the representative Muslim's behavior in a typical Muslim society (Syed Nawab Haider Naqvi).

To these we can add yet another definition, the one Dr. Masudul Alam Choudury launched in 1974 claiming he was the founding-father of the science of Islamic economics.[16] He said, "Islamic political economics is the study of the relationship between a political system (shura) and an ecological system the subsystem of which is market."

There are other definitions of Islamic economics. But instead of clarifying its meaning additional quotes would just further demonstrate that Islamic economics is a product of the 20th century ideological confusion triggered off by the above-mentioned Maulama Abul Aala Maududi (1903-79) that has not been untangled to this very day. At the beginning Islamic economics stood more for advocacy against European colonialism and many of Europe's cultural and political values than anything else. Its effects have been more political than economic so far: it has been used as a slogan calling upon Muslims to seek redistribution of global power but also as a safeguard of the well-established

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[15] Chapra, ibid, footnote 32, pp. 33.

[16] Dr. Masudul Alam Choudury, *Islamic Political Economy*, Introducing Islamic Political Economy, http://faculty.uccb.ns.ca/mchoudury/pe.htm,; quoted in Dragan Veselinov's book *Muhamed na Isusovom krstu — politička ekonomija islama*" /*Mohammed on Crucifix: Political Economy of Islam/*, Čigoja štampa, Belgrade, 2009. pp. 19.

clans in power that justified their domination by "outside" enemies, opponents of Allah. It goes without saying that muftis and theologians of the heavenly kingdom on earth are the most fervent advocates of Islamic economics as the idea itself upholds their "caste" of authentic interpreters of God's will. But Europe's history often troubles them. For, Europe found out the hard way that in the industrial era political privileges could not derive from lasting ideological monopolies that are smaller than the concept of a civil state, rather than deistic or any other. Islamic states are still paving their way to modern economies and free market institutions such as trade unions, professional associations, chambers of commerce, consumers' associations and other institutions of socioeconomic communication and social equality. They will be faced with even bigger challenges in the future while trying to imbue these institutions with Islamic interpretation of religion.

There is no such thing as an Islamic market economy for the time being. According to some Muslim economists, the Islamic financial system — allegedly in accordance with the Sharia — has adapted itself in no way to modern times. Dr. Asad Zaman says, "To the extent that islamic financial institutions represent the reshaping of Islamic Laws in accordance with the demands of modernity, these represent the failure rather than succsess of Islamic Economics".[17]

What could survive as "Islamic" in economics — except for some requirements dealing with credit relationships and trade safety — are only some budgetary rules for redistribution of a portion of national income in accordance with customers' needs that correspond to local cultural patterns and traditions. Though in Islamic countries macroeconomic justice could differ, this way or another, from European models of budgetary spending it generates not Islamic economics but only mirrors "national" folklores of specific territories. But by the system in which lands, labor and capital are allocated and by the position of an individual entrepreneur Islamic economics is not set apart from the global market. Islamic ethics has not prevailed in economics yet.

CONCLUSION

Created in the first half of the 20th century, the paradigm of Islamic economics was a product of the "fourtieth" endeavor of Islamic theologians to model their communities on interpretations of Islam. What were the focuses of these four endeavors? First, to liberate the Muslim sphere from European colonialism. Second, to effectuate a new social engineering beyond the

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[17] Dr. Asad Zaman: *Islamic Economics: Problems and Prospects,* DG, IITE, International University of Islamabad, 2010. p. 1.

European sphere — that had challenged Islamism after the WWI with socialism, fascism and Nazism — through some new pan-Islamic caliphate. The attempt to separate the Muslim world from Europe's secular ethics of civil society through criticism of liberal, social-democratic systems is an element of this engineering. Third, to construct a political economy independent from Europe's reconstruction and strengthen the primacy of religious ideology of the society in order to prevent free competition of ideologies and religions in liberal democratic communities. Islamic theologians were after justifying the dictatorship of one religion and theocracy. Fourth, and as a logical follow-up, to secure lasting political and ideological supremacy of the mufti "class" among the Muslim population.

Both Sunni and Shiite Islamists are after these goals.

The author coined the term *theo-economics* to denote Islamists' attempt to extract from Islam a new economic ideology to guide economic institutions and policy.

Islamic economists warn that a new market economy, differing from the economy of today's Europe, has not been established yet in Muslim states or elsewhere. Up to now, "Islamic" interventions have been mostly concentrated in some credit and banking procedures, and financial systems. This primarily refers to banks that avoid charging income interest as "interest rate," although this rate is indirectly charged as the cost of capital. Further on, these interventions are evident in issuance of government bonds, insurance policies and in lists of allowed and forbidden types of production and trade. In Muslim countries and regardless of their specific traits, budgetary spending is incorporated in the structure of social-democratic government. The scope of interventions invoking Islamic "originality" is insignificant as a whole. Even some procedures that are historically authentic are strongly criticized by Islamic authors themselves. However, when it comes to reducing differences in consumer spending numerous traditional forms of redistribution are still available to Islamists. "Islam offers a rich set of instruments and unconventional approaches, which, if implemented in true spirit, can lead to reduced poverty and inequality in Muslim countries plagued by massive poverty," say some authors.[18]

Islamic authors have not yet found a generally accepted definition of Islamic economics.

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[18] Mahmoud Mohieldin, Zamir Iqbal, Ahmed Roston, Xiaochen Fu, *TheRole of Islamic Finance in Enhancing Financial Inclusion in Organization of Islamic Cooperation (OIC) Countries*, The World Bank, Islamic Economics and Finance Group, December 2011, Abstract.

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Nataša Milenković[1]

India at the Iran–U.S. Crossroads

ABSTRACT

This paper examines the strategic rationale behind the strengthening of relations between India and Iran in recent period, as well as potential problems in relations with USA, caused by them. Namely, as India's global profile has strengthened during recent years, its relations with the United States have improved. Given the culmination of decade-long conflict between the U.S. and Iran, India will have to walk a fine line between these two forces. This article explores the factors that favor strengthening India's relations with Iran, as well as the factors that favor the preservation of strong relations with the U.S.

Key Words: Indo-Iranian relations, US-India relations, economic sanctions, oil trade, infrastructure projects, oil transit routes.

Introduction

After more than a half century of unrealized potential, India has grown into the economic, diplomatic, and military power. Modern India has the potential to become a key player in resolving the most critical issues of the twenty-first century.

As India's global profile has strengthened in recent period, its relations with the United States have improved. Though India has made enormous efforts to improve its relations with the United States, it has refused to let them dictate its foreign policy priorities. In January 2012. India has refused to comply with stricter sanctions against Iran, proposed by the United States and Europe. The reason named was that India could not afford to substantially cut back energy imports from Iran, which is the second largest oil supplier of India's growing economy and a traditional friend of the Indian nation.

Given the decade-long conflict between the U.S. and Iran, which culminated in the imposition of stringent sanctions to Iran, India has

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endeavored to balance carefully between carrying on the oil imports sourcing from Iran, and escalating pressure from the U.S. and Europe to adhere to more strict sanctions against the Iran.

This article explores the factors that favor strengthening Indian relations with Iran, as well as the factors that favor the preservation of its strong relations with the U.S. Based on its relatively good relations with both countries, India can take the role of the peacemaker, particularly because that would bring to the best outcome for India's enlightened self-interest.

Rationales for Strengthening Relations with Iran

Since there are many economic, geo-economic, and security factors that indicate the need for stronger India-Iran bilateral relations, re-evaluation of their relations is long overdue. The current India's pragmatic approach to bilateral trade with Iran represents the national interest of both, India and Iran.

Iran and India have many bilateral economic and political convergences that are rooted in the geopolitical and economic interests of the two countries, and are neither related to the current state of Iran-U.S. relations, neither to the nature of the Teheran regime.

The Islamic Linkage

While India's relations with its Muslims in the plains have been deteriorating, in recent years, the Kashmir dispute increasingly became intertwined with Hindu-Muslim politics in the Indian hinterland. India is therefore compelled to improve its relations with countries of the Muslim world. India sees Iran as an influential Islamic state that can effectively counter Pakistan's anti-India propaganda in the Islamic world. Iran views India as a nation that can be helpful in fostering a "dialogue between civilizations," which Khatami promoted, as opposed to the "clash of civilization" thesis emanating from the West.

India's relations with Iran have also been significantly shaped by Iran's solidarity with the Indian Muslim population. India has the largest number of Shia Muslims in the world after Iran. The Muslims are about 12% of India's population, but their influence on the Indian society was much stronger. The main reason was a large number of Muslims rulers in different parts of India. India's Shia population counts 25 million, and has always been an important factor in India's interaction with Iran Therefore, every Indian government that acted against Iran's interests, would have a great internal political constrains.

Both states, Iran and India are concerned about the festering Shia-Sunni strife in Pakistan.

Geopolitics

As an emerging regional power in Asia, India is naturally interested in any changes that may influence its own security, occurring within the region or in its neighborhood. New Delhi plays a natural role in shaping regional security arrangements to foster stability. The fact that India and Iran share same interests concerning many regional problems is extremely important for the stability of this part of the world. They have common attitudes on situation in Afghanistan, Pakistan and Iraq.

Peace and stability in Central and Western Asia is vital for India's security. The issue of Central Asian security is, as well, closely related to the peace in Afghanistan and at the Indian subcontinent. India and Iran share hostility against Taliban and, together with Russia, they were the main supporters of the anti-Taliban Northern Alliance, which confronted the Pakistan-backed Taliban regime in Afghanistan in 2001. Pakistan's control of Afghanistan via the fundamentalist Taliban regime was not in the strategic interest of either state, and represented a threat to the regional stability of the entire region. India and Iran cooperated with the Northern Alliance well before such support became "accepted wisdom" after the events of .

India and Iran have signed the document *Tehran Declaration* in April 2001, the main purpose of which was to enhance bilateral cooperation, to share intelligence on al-Qaeda activities in Afghanistan, and to articulate their mutual interests in establishing a broad-based government in Afghanistan. Two countries, by signing this document, aimed at expressing their concerns over international terrorism and their mutual preferences for a comprehensive convention against international terrorism at the United Nations.

Given the still unstable situation in Afghanistan, continuous cooperation of India with Central Asian states, especially with Iran, is of great importance. "Even after the ouster of the Taliban from Afghanistan, India neither feels totally secure or comfortable about the reports of continuing attempts to destabilize Afghanistan, despite US presence in both Pakistan and Afghanistan".[2]

Although Iran and Pakistan are members of a number of Islamic groupings and share a larger Islamic identity, their relations are marked by increasing political and strategic tensions in recent times, and economic cooperation between the two has been neglected. This might favor India's bilateral relations with Iran.

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[2] Ajay Patnaikm, *"Central Asia's Security: The Asian Dimension"*, *in India and Emerging Asia,* SAGE New Delhi, 2005. p. 222.

Economic and commercial partnership

Iran and India achieve the mutual benefit from economic cooperation in many areas. Their relations are likely to become increasingly important for both states in the near future.

Oil trade

During the 1990s, a policy of economic reform resulted in a period of sustained economic growth in India. India recorded the highest growth rates in the mid-2000's, and became one of the fastest-growing economies in the world. This expanded the country's demand for hydrocarbon energy sources. India is the fourth world largest oil consumer with an annual of 110 million tons of oil consumption and the fourth largest producer of and oil products. India's oil reserves meet only 25% of the country's domestic oil demand.

Iran, for its part, was endowed with one of the world's largest supplies of both, natural gas, and oil. Economic and commercial relations between India and Iran have traditionally been based on Indian import of Iranian crude oil.

Iran saw India as the natural export destination for its huge natural oil and gas reserves, while Iran is, after Saudi Arabia, India's second largest oil supplier. Iranian oil accounted for nearly 11 to 16% of India's crude oil imports. India imported about 22 million tons of crude oil valued at about $ 10 billion in 2009-10, which makes it the third largest market for Iranian crude. „Energy interests, with Iran as a supplier and India as a consumer, cemented Indo-Iranian relations and motivated both states to explore ways of getting Iran's hydrocarbons to India's market".[3]

If India complies with the sanctions on Iran and does not purchase Iranian oil, Iran will be desperate to find new markets for these products, and will have to turn to other limited producers to meet its oil needs. There is an assessment[4] that such a development "will be followed by a doubling of the oil price and a consequent double effect on the economy of the country".

Indian dependence on Iranian oil was the main reason mentioned for refusal to adhere to sanctions on Iranian oil. However, there is another reason concerning Indian oil import. India is seriously concerned about the Iranian announcement that, in the case of the oil export prohibition, this country would close the main link — Strait of Hormuz. India is dependent on oil and on the smooth functioning of the Indian Ocean shipping lines. In the case of closing Hormuz, India would face a problem of oil supply even from Saudi Arabia.

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[3] Christine Fair, "Indo-Iranian Relations: Prospects for Bilateral Cooperation Post–9-11" in *The Strategic Partnership Between India and Iran*, Asia program special report, Woodrow Wilson Center**,** 2004, p. 10.

[4] Mir-Mahmoud Musavi in interview to IRD, 4. February 2012.

Foreign non-oil trade

India is the second Iranian main export partner, while Iran belongs to group of top 15 Indian trade partners. According to Department of Commerce, India-Iranian trade in 2009-10 amounted to U.S.$ 13.4 billion. Indian exports amounted to U.S. $ 1.9 billion, and imports to U.S.$ 11.5 billion.

India's exports to Iran include petroleum products, rice, machinery & instruments, metal products, primary and semi-finished products of iron & steel, cereals, drugs/pharmaceuticals & fine chemicals, processed minerals, manmade yarn & fabrics, tea, organic and inorganic agro chemicals, rubber manufactured products, nuclear reactors, boilers, machinery and mechanical appliances. Iran sees in India a cost-effective source of high-technology inputs.

Iranian export to India, as it has been said, is mostly based on crude oil and ores. Still, India is the 5-th most important Iranian partner in terms of non-oil export. Recently, export of organic and inorganic chemicals fertilizers, plastic and articles thereof, has dramatically increased.

Both, export and import, increased with years (Table 1), except in the year 2009, when all export/import values across the world have dropped, due to World financial crisis.

Due to the compatibility of these economies, amount of their bilateral trade could be much higher. India's economy is based on services and high technology sectors, while Iran produces mostly primary sector's products. The main Iranian's export products are crude oil and gas (about 80% of export): however, Iran has more diversified economy. Iran has significant deposits of coal, iron ore, lead, zinc, chromium, uranium, and the world's second largest lode of copper. It's main industry, except petrochemicals, are fertilizers, car industry, pharmaceuticals, home appliances, electronics, telecom, energy, caustic soda, textiles, construction, cement and other construction materials, food processing (particularly sugar refining and vegetable oil production), ferrous and non-ferrous metal fabrication, armaments. Some of these goods have potential to be exported to India.

Table 1. Indian foreign trade with Iran

(values in U.S. $)

Year	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
EXPORT	1,446.48	1,943.92	2,534.01	1,853.17	2,742.46
%Growth		34.39	30.36	-26.87	47.99
IMPORT	7,618.55	10,943.61	12,376.77	11,540.85	10,928.21
%Growth		43.64	13.1	-6.75	-5.31

Source: Department of commerce, India

In addition, small geographical distance and cheap connection by waterways represent additional potential for improving trade.

Military contacts between India and Iran have also increased in scale as a consequence of improved bilateral trade between the two states. While India is a major source of conventional military assistance for Iran, Iran is perceived as a major potential buyer of India's military hardware. The Iranian military urges to be modernized, and India can become its main source of modern arms and spare parts. Moreover, India can provide crucial technical assistance and training opportunities to the Iranian armed forces.

FDI – India was one of the leading countries to invest in Iran, but there are no precise and reliable data on numbers of projects and their values. The main destination sectors for foreign investment in the country have been chemicals, rubber and plastics industries, base metals, oil refining and gas distribution and tourism. Tata Steel is the leading Indian company with investments in steel plants in Iran. Indian oil companies such as OVL, Oil India and IOC have invested in the development of the Farsi oil and gas, as well as the South Pars gas field in Iran.

Some of the most important investment projects are in process, or planned, and are mostly directed to transportation infrastructure.

Infrastructure projects

Geo-strategic position of Iran enables it to play an important role in connecting India to Central Asia, militarily and strategically. Especially important for India is Iran's position at the crossroads of trading routes, and a possible export route for the natural resources of Central Asia. The shortest route from India to the Central Asian republics leads through Pakistan and Afghanistan, but New Delhi cannot use this route given its troubled relations with Islamabad. The potential for India and Central Asian trade has not been realized due to the Indian-Pakistan rivalry.

Due to such geo-strategic position of Iran, the above-mentioned Indian concerns about closing the Strait of Hormuz are well grounded and justified.

India and Iran are negotiating on setting up a number of infrastructure projects. By International North-South Corridor project, the two countries endeavor to establish a trade block consisting of India, Iran, Afghanistan, Bangladesh, Nepal, Sri Lanka, and Pakistan in order to promote trade and commerce in Central Asia. Other important projects are the IPI gas pipeline project, a long term annual supply of 5 million tons of LNG, development of the Farsi oil and gas blocks, South Pars gas field and LNG project, Chahbahar container terminal project, Chahbahar-Zaranj railway project, etc.

These are some of the most important benefits of these projects' realization for both countries.
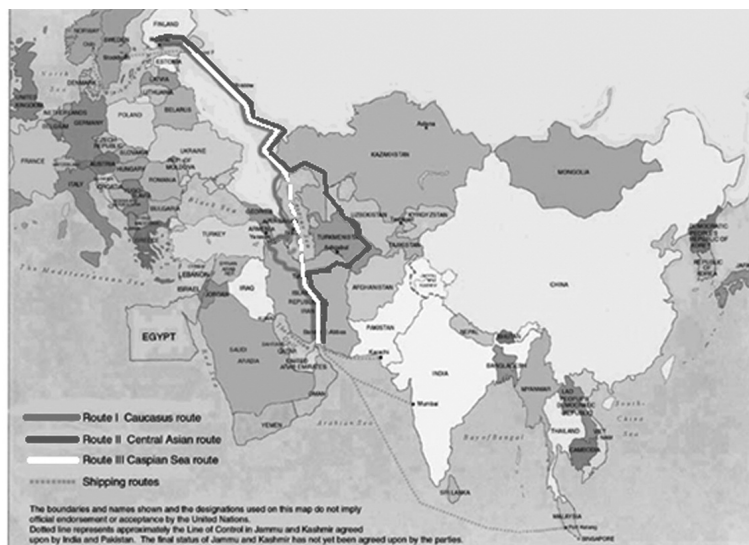
North-South Corridor project

Creation and development of the international transport corridor (ITC) "North – South" was officially promoted in 2000 by Russian, Iranian and Indian representatives.

Due to unsafe transportation through Pakistan and Afghanistan, initiative of North-South Corridor is expected to reduce the cost and constrains of transit and transportation of goods. Linking the Indian commercial capital of Mumbai with the Iranian ports of Chabahar and Bandar Abbas by maritime transport, the North-South Corridor will then rely on road and rail networks to connect Chabahar port and Bandar Abbas with Central Asia and Afghanistan. The status of special economic zone of two ports located at the entry of the Persian Gulf offers a gateway for re-exports to and from Central Asia.

India and Iran have already made progress on their commitment to build a North-South Corridor with the participation of Russia.

"The relationship between India-Iran-Central Asia provides a new link which could transform the face of trade in the region. The corridor could evolve towards boosting trade between Central Asia and the world".[5]

Map 1. Routes of North-South Corridor

UNESCAP[6]

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[5] Balooch, Mahmoud, "Iran and India's Cooperation in Central Asia", *Central Asia-Caucasus Institute, China and Eurasia Forum Quarterly*, Volume 7, No. 3, 2009. p. 26.

[6] United Nations, ESCAP, http://www.unescap.org/ttdw/common/tis/tar/nscorridor.asp.

The **Trans-Asian Railway** is a part of the North-south corridor. This is a project of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP). Although origin and destination remain the same, three main transport routes were identified between Northern Europe and the Persian Gulf. The routing differs by the countries that each route will transit and by the combination of modes used to carry cargo from one end to the other.[7] These routes, which are illustrated in Map 1, have been defined as follows:

– Route I, the Caucasus route

– Route II, the Central Asian route

– Route III, the Caspian Sea route

Routes II and III are especially useful for Indian trade with huge markets of Russia, Turkmenistan, Uzbekistan and Kazakhstan.

Very important for Indian trade with many Central Asian markets is a rail link between Iran and Turkmenistan, a part of the Route II, which enables India to bypass the Pakistan and Afghanistan route. This link has significantly improved cooperation between Iran and India. A tripartite agreement on international transit of goods between India, Iran and Turkmenistan was signed on February 1997 at Teheran.

India sees the opportunities for a "forward Policy" in Central Asia in developing road and rail access to Afghanistan through Iran. There is the prospect of joint development of new road and rail routes to Afghanistan and Central Asia through the Iranian port of Chahbahar. This port, situated at the southwest corner of Iran, is the nodal point of a new trade corridor, through which India is hoping to win its access to Central Asia and Afghanistan.

India is actively involved in the development of the Chabahar port, which will give it access to the oil and gas resources in Iran and the Central Asian states. These developments would directly enable India to bypass the Pakistani blockade of its westward links, and restore efficient connections with Afghanistan, and through these, with Central Asia — a region that has become crucial for India's perceptions of its future energy security. India has already invested into building a 200 km-long road from Nimroz province in Afghanistan to the Chabahar port, and has plans to build a 900 km of railroads to the mineral-rich Hajigak region of Afghanistan.

With the development of Chabahar port linking Uzbekistan, Afghanistan, Iran, and India, the future trade in this area is potentially destined to grow.

In addition to these strategic projects, India and Iran are discussing building a gas pipeline between the two countries along the bed of the Arabian Sea to bypass Pakistan, using the Chabahar port. **Iran-Pakistan-India (IPI),** 2700 km,

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7 United Nations, ESCAP, http://www.unescap.org/ttdw/common/tis/tar/nscorridor.asp.

pipeline is aimed at transferring gas from Iran's South Pars fields in the Persian Gulf to Pakistan's major cities of Karachi and Multan and then further to Delhi, with an estimated value of U.S. $ 7.3 billion. As the natural gas comes from Iran via Pakistan, there are some serious security concerns.

Geopolitical monitor[8]

INDIA — USA

The U.S. Dominance

The U.S. Dominance is the factor with a dual, negative and positive, effect on the Indo-Iranian relations.

While the relations between United States and Russia, China, and India have improved in recent times, the U.S. posture toward Iran remains hostile. Given that the United States remains the primary player in the Middle East, India will inevitably have to cooperate with it in shaping its foreign policy toward Iran.

The United States has made their dissatisfaction with improving Indo–Iranian relations clear to the Indian government. Washington has also opposed the India

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[8] Geopolitical monitor, www.geopoliticalmonitor.com/india-in-talks-for-ipi-pipeline-project-3159.

–Iran gas pipeline deal, and has urged India to rethink this ambitious project. Besides that, Indian government is under considerable pressure concerning the nuclear pact, since the tensions between the United States and Iran have escalated.

As a counterweight to U.S. dominance, these countries have made attempts to upgrade their bilateral relations. "For certain sections of India's political and strategic elite, this means opposing the United States in every possible global forum".[9]

"Correspondence between Iran's desire to end its international isolation by cultivating its relationship with other states and India's desire to impart a degree of autonomy to its foreign policy has brought India and Iran close to each other in recent years."[10]

Economic linkage USA

India has a negative foreign-trade balance with almost every important trade partner. Among the top 20 trade partners, India has a positive balance only in trade with U.S., Hong Kong, UK, and sometimes with United Arabian Emirates. U.S. is the second or the third most important market for Indian exports. It receives more than 10% of Indian goods, while Indian import from U.S. makes about 5% of Indian import.[11] In contrast, Indian export to Iran is about 1%, and import above 4%.[12]

Foreign direct investment (FDI) in India has played an important role in the development of the Indian economy. FDI in India has, in many ways, enabled India to achieve a certain degree of financial stability, growth, and development. According to the Office of the US Trade Representative, the U.S. is one of India's top investors. In 2008, U.S. foreign direct investment in India was $16.1 billion (a 10.8% increase over 2007), and $18.6 billion in 2009, a 12.3% increase from 2008. The share of U.S. investment in total FDI in India is about 5,5%.[13]

The main sectors of the U.S. direct investment in India are the information, manufacturing, banking, professional, scientific, and technology services sectors.

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[9] Pant, Harsh, *Contemporary Debates in Indian Foreign and Security Policy*, Palgrave Macmillan, New York, 2008, p. 127.

[10] Pant, Harsh, *Contemporary Debates in Indian Foreign and Security Policy*, Palgrave Macmillan, New York, 2008. p 116.

[11] Ministry of Commerce & Industry, Government Of India, *Export — Import Data, http://commerce.nic.in/eidb/Default.asp.*

[12] Ibid.

[13] Ibid.

Indian FDI in the United States (stock) was $4.4 billion in 2009,[14] up 12.4% from 2008. India direct investment in the U.S. is primarily concentrated in the professional, scientific, and technology services sector.[15]

Therefore, for India it is very important to maintain good relations with the largest global economy.

Conclusion

Based on its relatively good and profitable relations with both, U.S. and Iran, India has tried to balance carefully between these two important global players. India must find its own balance between its domestic political imperatives, and its national strategic interests in shaping its policy toward Iran.

There are some practical solutions how to keep stability of oil supply and not to violate the sanctions against Iran. Some of them are already the subject of negotiation between India and Iran.

Indian refiners currently pay Iran through a Turkish bank, but the latest U.S. sanctions may soon make that impossible, and New Delhi is looking at alternatives. One of the suggested and accepted solutions from Indian side is paying Iranian oil with rupees. However, this is not a very helpful solution for Iran. The rupee is only partly convertible, which left Iran holding onto large amounts of a currency many other countries would be unwilling to accept.

Better solution would be to increase India's exports through large-scale projects in sectors identified as the most attractive for Indian FDI. These are the railway infrastructure, ports, mining, food processing, car industry, fertilizers and pharmaceuticals sectors, and other projects exports, which are not currently sanctioned. In this paper we have identified many common infrastructure projects of major importance for Indian commercial penetration into Central Asia and Russia: North-South Corridor project, Trans-Asian Railway, new transit route through Iran to Novorossiysk in Russia, the port of Chabahar, Iran-Pakistan-India pipeline etc. Therefore, it would be very useful to sustain Iranian oil supplies via "Oil for Projects" scheme in the face of stringent US and EU sanctions.

However, we believe that, in addition to access to oil supplies, there are many reasons why India should establish closer relations with Iran. Important group of rationales favoring Indo-Iranian relations are economic factors. First, there is a potential for improving bilateral trade, due to small geographical distance, and compatibility of their economies. Second, a large "space" for mutual foreign direct

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[14] Office of the US Trade Representative, www.ustr.gov/countries-regions/south-central-asia/india.

[15] Ministry of Commerce & Industry, Government Of India, *Export — Import Data, http://commerce.nic.in/eidb/Default.asp.*

investment, and, third, there are many suggested and already initiated infrastructure projects of high importance in terms of commercial strategy.

Factors in favor of maintaining strong relations with the U.S. are massive American's foreign direct investment, and large amount of bilateral foreign trade.

Finding a way to resolve the tensions inherent in its policy toward Iran, and a way to balance its foreign policies between Iran and the USA, represents a major test for India, an emerging power in the international system.

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DOCUMENTS[*]

United Nations S/2013/72
Security Council Distr.: General

 4 February 2013

 Original: English

Report of the Secretary-General on the United Nations Interim Administration Mission in Kosovo

I. Introduction and Mission priorities

1. The present report is submitted pursuant to Security Council resolution 1244 (1999), by which the Council decided to establish the United Nations Interim Administration Mission in Kosovo (UNMIK) and requested that I report at regular intervals on the implementation of its mandate. It covers the activities of UNMIK, and developments related thereto, from 16 October 2012 to 15 January 2013.

2. The priorities of the Mission, to promote security, stability and respect for human rights in Kosovo and in the region, remain unchanged. In furtherance of its goals, UNMIK continues its constructive engagements with Pristina and Belgrade, the communities in Kosovo, and regional and international actors. The Organization for Security and Cooperation in Europe (OSCE) and the Kosovo Force (KFOR) continue to perform their roles within the framework of Security Council resolution 1244 (1999). The European Union Rule of Law Mission (EULEX) continues its presence in Kosovo in line with the statement by the President of the Security Council of 26 November 2008 (S/PRST/2008/44) and my report of 24 November 2008 (S/2008/692). The United Nations agencies, funds and programmes continue to work closely with the Mission.

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[*] In view of fact that the text in this section are an official nature, no alternations of any kind have been made to them by the editor of the *Review of International Affairs*.

II. Political developments, including the European Union- facilitated dialogue

3. On 19 October, a new phase was launched in the European Union-mediated dialogue between Belgrade and Pristina, with the convening of the first high-level meeting in Brussels between Prime Ministers Ivica Dačić and Hashim Thaçi, under the auspices of Catherine Ashton, High Representative of the European Union for Foreign Affairs and Security Policy. The meeting elevated the process from a primarily technical level to a political one, offering new prospects for resolving various long-standing issues in the relationship between Belgrade and Pristina. The meeting of 19 October was followed by expanded discussions held on 7 November and 4 December.

4. During the 7 November meeting, the sides made progress in their discussions on the modalities for the implementation of earlier agreements, in particular the agreement on the integrated management of crossing points. They also agreed to a joint feasibility study for a new highway linking Pristina and Niš (Serbia).

5. During the 4 December meeting, agreements were reached on the dates, locations and other practical arrangements for the implementation of the agreement on the integrated management of crossing points. The parties also agreed to appoint liaison officers, who would be based in the respective European Union delegation offices in Belgrade and Pristina. They also opened a discussion on the transparency of the financialsu pport received by the Kosovo Serb communities from Belgrade and agreed to intensify cooperation on missing persons and to continue the work on energy and telecommunications.

6. Following extensive technical preparations, the high-level engagement between Belgrade and Pristina resulted in the start of the implementation of the agreement at four of the six crossing points, including at gates 1 (Jarinjë) and 31 (Bërnjak), in northern Kosovo, by the mutually agreed deadline of 31 December 2012.

7. On 13 January 2013, the National Assembly of Serbia adopted a resolution on basic principles for political talks with interim institutions of self-government in Kosovo-Metohija. The adoption was preceded by several months of discussions within Serbia on the Government "platform" outlining Belgrade's positions on Kosovo. The resolution, among other things, expresses support for the European Union-led dialogue, with a view to achieving comprehensive and mutually acceptable solutions. In Pristina, the Kosovo authorities conducted broad-based internal consultations that resulted in a public statement, issued on 14 January, outlining Pristina's positions on the key issues of the European Union-facilitated dialogue.

8. My Special Representative commended both sides for their demonstrated leadership and political courage in the dialogue process. Under his leadership, UNMIK continued to work closely with the communities on the ground and to collaborate with all other mandated international presences to enhance the prospects of success in the political dialogue.

III. Northern Kosovo and developments on the ground

9. The developments in the high-level dialogue were accompanied by a number of incidents and some tensions on the ground. These were related to the temporary re-establishment of road blocks by Kosovo Serbs in the north of Kosovo in protest against some of the terms of the integrated management of crossing points agreement; the construction of housing for Kosovo Albanian returnees in northern Mitrovica; and problems with regard to the modalities for the travel of Serbian officials to Kosovo, which, among other things, led to the cancellation of the planned visit of Serbia's President, Tomislav Nikolić, to attend an Orthodox Christmas service at the Gračanica monastery.

10. The protestors and local Kosovo Serb political leaders demanded assurances from the Government of Serbia that the new procedures at the crossing point would not affect their ability to use Serbian vehicle registration plates and identification documents and that commercial goods destined for northern Kosovo would not be subject to taxes and customs fees. Following their meeting with the Serbian President and Prime Minister in Belgrade on 6 December, the Kosovo Serb political representatives announced that they had received such assurances and that they would suspend the protests. Nonetheless, on 9 December, on the eve of the start of the implementation of the integrated management of crossing points agreement at gate 1 in the north of Kosovo, some local Kosovo Serbs launched protests, blocking traffic and preventing the construction of the new check post at the gate from being completed.

11. On 10 December, the implementation of the agreement commenced at gate 1 in the north, where the integrated checkpoint is located on the northern side of the boundary line, and at gate 3 (Merdarë/Merdare), where it is located on the southern side. However, subsequent disputes concerning the collection of taxes and customs fees resulted in a resumption of the protest at gate 1. The issue was taken up by the technical working group in Brussels and a temporary arrangement was agreed, which specified that all goods bound for northern Kosovo would be exempt from customs fees and taxes, with the exception of excise goods (including fuel, tobacco and alcohol) in excess of 3.5 tons. However, northern Kosovo Serbs expressed dissatisfaction over the arrangement and continued to hold scheduled protests blocking the main roads three times a week for a period of two hours.

12. On 31 December, the implementation of the agreement also started at gates 5 (Končulj/Dheu i Bardhë) and 31. In Zubin Potok, the Kosovo Serbs held another protest, from 30 December to 2 January, against the travel by land of Kosovo police and customs officers to gate 31. The officers continue to be transported regularly to the gate by EULEX helicopter.

13. In addition, Kosovo Serbs reacted strongly to returnee housing construction resumed by Kosovo Albanians in the Kroi i Vitakut/Brdjani neighbourhood of northern Mitrovica and Zveçan/Zvečan. The Kosovo Serbs alleged that many of

the returnees — who were beneficiaries of a government assistance and housing reconstruction programme — were not displaced former residents, as claimed by the Kosovo authorities, and were not in possession of valid construction permits. On 16 November, a group of Kosovo Serbs first blocked a secondary road and then the construction site itself, which led to a stand-off that escalated into stone throwing and resulted in a number of injured. Shots were also fired in the vicinity of the stand-off. The protestors were dispersed following an intervention by the Kosovo police who also provided a security escort for the construction workers to leave the site. Similar protests continued for a number of days, ending only after an agreement by the southern Mitrovica municipality to slow down the construction activities. Although the construction work has been halted altogether with the onset of winter, further negotiations and mediation will be required to reach a durable solution. UNMIK is working with other international presences to promote a broad consultative process that could lead to an agreement on the return process of internally displaced persons to northern Mitrovica.

14. My Special Representative continued to focus on ensuring coordination and cooperation among international presences with regard to northern Mitrovica. Such coordination has been important during the period after the cessation of salary payments from the Kosovo budget to municipal employees of the UNMIK Administration Mitrovica in July 2012, which followed the establishment by the Kosovo authorities of an administrative office in northern Mitrovica. In the absence of any indication that such payments would resume, UNMIK had no option but to serve notice to the local staff of the UNMIK Administration Mitrovica that their contracts would not be extended beyond their expiry date of 31 December 2012. UNMIK continues to engage with all local and international stakeholders in order to facilitate practical solutions, prevent tensions and allow the UNMIK Administration Mitrovica to continue to perform its conflict prevention, mediation and facilitation role.

IV. Security

15. The overall security situation remained generally calm, with the exception of northern Kosovo, especially in northern Mitrovica, where some serious incidents were reported.

16. Between 18 November and 7 December, three incidents affecting the staff of the administrative office in northern Mitrovica, its assets and projects occurred in northern Mitrovica. In other incidents occurring in December, three private vehicles reportedly belonging to Kosovo Serb police officers from the Mitrovica North station were set on fire. On 18 December, the private car of a Kosovo Serb member of the Serbian Parliament was burnt in front of his residence in Mitrovica. On the night of 9-10 January, an unknown perpetrator opened automatic fire on a bakery in northern Mitrovica belonging to a Kosovo Serb member of the Advisory Board of the UNMIK Administration Mitrovica. Each of these incidents is presently under investigation. Kosovo police, EULEX and

KFOR forces have increased their visibility and preventive efforts in response to such incidents.

17. The situation in the Kosovo Albanian majority areas south of the Ibër/Ibar River was generally calm. In response to an increase in armed robberies, bomb threats and the use of explosive devices, the Kosovo police conducted several operations to confiscate illegal weaponry.

18. On 7 January, the Kosovo police arrested 10 individuals, mostly northern Kosovo Serbs, during the Orthodox Christmas celebrations in Graçanicë/Gračanica for interfering with the Kosovo police escort of the Director of the Serbian Office for Kosovo and Metohija, refusing to provide identification, disobeying police orders and resisting arrest. They were released on 8 January, and all charges were subsequently rejected by the court. Nine of them alleged to having been beaten while in police custody. They were admitted to a hospital in northern Mitrovica; two of them, one reportedly with serious injuries, were sent to Belgrade for treatment. The Serbian authorities strongly protested the arrest and the alleged mistreatment of the detainees by the Kosovo police. EULEX and the Kosovo police Inspectorate are investigating the incident and the allegations.

19. The overall number of recorded incidents affecting minority communities has decreased, from 406 (2011) to 361 (2012). As occurred in 2011, the incidents in 2012 mainly concerned minor assaults, burglaries and thefts, arson committed on unoccupied properties and land, the illegal occupation of houses, and thefts and vandalism at religious sites. The most notable changes were a 21 per cent decrease in thefts and burglaries in 2012, compared with the previous year, and a more than 50 per cent increase in incidents of illegal woodcutting.

20. The trend in the Pejë/Pec region in the west of Kosovo has been of particular concern, with an increasing number of incidents affecting the Kosovo Serb community in Klinë/Klina and Istog/Istok municipalities. During 2012, 73 incidents, or 20 per cent of all incidents reported, occurred in those two municipalities. There is a perception among the local Kosovo Serbs that the intention behind the crimes was to force them to leave. There is also a perception that the Kosovo police is reluctant to actively investigate incidents that involve Kosovo Serbs, which led to the decision by Kosovo Serb residents of Istog/Istok to boycott the meetings of the local community safety council.

21. The Kosovo police has undertaken efforts to respond to those concerns, including through increased participation in the municipal community safety councils. It has also adopted a community policing and action plan for 2012-2016, which seeks to place the security of Kosovo citizens at the forefront of police efforts and to increase the effectiveness and accountability of the police service. In Zveçan/Zvečan, the acting Commander of the Kosovo police station, who had been suspended for allegedly failing to obey an order to arrest the Head of the Government of Serbia's Office for Kosovo and Metohija, Aleksandar

Vulin, during the latter's visit to northern Kosovo, returned to duty on 21 December.

V. Rule of law

22. UNMIK continued to monitor activities and exercise relevant responsibilities, in close coordination with EULEX, in the area of rule of law, and technical cooperation with the Ministries of Justice and Internal Affairs of Kosovo and the Ministry of Justice of Serbia.

23. UNMIK also continued to receive requests for mutual legal assistance from Serbia and non-recognizing countries. The impasse between the Ministry of Justice of Kosovo and the Ministry of Justice of Serbia on mutual legal assistance persists, with the Kosovo Ministry failing to process Serbian Ministry documents received via UNMIK and the Serbian Ministry failing to process any documents received directly from the Kosovo Ministry. UNMIK continues to direct all requests for mutual legal assistance from non-recognizing countries to EULEX for transmission to the Kosovo Ministry of Justice. The agreement on mutual legal assistance, signed on 12 August 2011 between EULEX and the Ministry of Justice of Kosovo, whereby the latter agreed to process requests received through EULEX from non-recognizing States, is being implemented with Bosnia and Herzegovina, Slovakia and Greece.

24. UNMIK continued to facilitate the interaction of Kosovo with the International Criminal Police Organization (INTERPOL) and its member States on a daily basis. UNMIK participated in the INTERPOL General Assembly session held in Rome from 5 to 8 November 2012. Following close consultations with EULEX, the UNMIK delegation conducted several meetings with INTERPOL representatives to resolve outstanding issues concerning notices from Serbia and other issues.

25. UNMIK continued to support and encourage progress on the issue of missing persons, an issue discussed during the 7 November high-level meeting held in Brussels. UNMIK participated in the Belgrade-Pristina Working Group on Missing Persons that met in Belgrade on 30 October under the chairmanship of the International Committee of the Red Cross. Both the Belgrade and Pristina delegations noted difficulties in identifying sources of new information, but agreed to intensify their efforts and enhance mutual coordination. During 2012, forensic experts working at the EULEX Department of Forensic Medicine identified the remains of 38 missing persons. A total of 51 such identifications were made during 2011.

26. On 7 and 8 November 2012, UNMIK organized a joint visit to Cyprus by Kosovo Albanian and Kosovo Serb family associations of missing persons in coordination with the Cypriot Committee on Missing Persons. The visit was funded by the Government of Serbia and Kosovo authorities. After the visit, joint recommendations were drafted stressing the importance of local ownership and of involving family associations in all discussions and decisions on the matter.

27. UNMIK continued to provide document-certification services both to Kosovo residents and at the request of non-recognizing States, primarily for the certification of civil status and pension documents. The implementation of an agreement on university diplomas, reached during the technical talks held between Belgrade and Pristina on 21 and 22 November 2011, is ongoing. Meanwhile, UNMIK continues to provide certification of certain types of educational documents.

28. A major reform of the Kosovo courts and judiciary began on 1 January 2013, when a new Law on Courts, Law on the State Prosecutor, Law on the Kosovo Judicial Council, Law on the Kosovo Prosecutorial Council and Law on the Special Prosecutorial Office came into force. It was accompanied by a reform of the Criminal Code and of the Criminal Procedure Code. All minor offences will fall under the jurisdiction of the newly established Basic Courts that replace the former Municipal and District Courts. The Basic Courts will be the first instance courts for minor and criminal offences, unless otherwise regulated by law. The new Criminal Procedure Code no longer allows for criminal offences to be prosecuted by private or subsidiary prosecution. Beginning on 1 January 2013, such offences are to be prosecuted ex officio. Other substantial changes include the removal of the confirmation of the indictment procedure.

29. Allegations of corruption continue to be a serious concern in Kosovo, while efforts to prosecute cases seem to be yielding some results. During the reporting period, a deputy prime minister, two former ministers, two magistrates, two mayors and other civil servants were either under investigation or indicted on allegations of corruption. In one prominent case, in November, EULEX and Kosovo police arrested three suspects on charges of corruption-related offences, including fraud and aggravated theft related to illegally received payments of some €1.4 million from the Ministry of Internal Affairs, intended as payment to the Austrian State Printing Company for production of biometric passports.

30. Public perception surveys, undertaken by the United Nations Development Programme (UNDP) on a regular basis during 2012, showed decreasing public satisfaction with Kosovo's executive, legislative and judicial institutions, and identified corruption as one of the top concerns of the public. A number of laws have been drafted in efforts to strengthen the fight against corruption, including the Law on Declaration and Origin of Wealth of Senior Public Officials and the Law on Confiscation of Property Acquired by Criminal Offense.

31. During the reporting period, there was an increase in complaints concerning the failure by local police and prosecutors to investigate crimes affecting minorities. My Special Representative conducted a number of meetings with relevant authorities and consulted closely with EULEX in an effort to encourage greater responsiveness and cooperation between interested parties in cases affecting minority communities.

32. On 20 November, the Supreme Court of Kosovo, presided over by EULEX judges, reviewed the appeal of a EULEX prosecutor against the acquittal of

Democratic Party of Kosovo Vice-President Fatmir Limaj and three others on charges of war crimes in what is known as the "Kleçkë/Klečka case". The Court found the previously excluded evidence to be admissible and ordered a retrial of Limaj, a former high-ranking commander of the Kosovo Liberation Army (KLA) and Government Minister, and his three co-defendants. On 24 November, all the defendants were detained on remand. This provoked strong public reactions, including from Prime Minister Thaçi and other political leaders, who called for a parliamentary review of the EULEX mandate.

33. On 29 November, the International Criminal Tribunal for the former Yugoslavia acquitted Ramush Haradinaj, the former Prime Minister of Kosovo and KLA regional commander, following his retrial on charges of war crimes related to the 1998-1999 conflict in Kosovo. Co-defendants Idriz Balaj and Lahi Brahimaj were also acquitted. Upon his release, Haradinaj returned to Kosovo and resumed his role as the leader of the opposition Alliance for the Future of Kosovo party. He also began discussions with the ruling Democratic Party of Kosovo concerning a possible future coalition.

VI. Returns and communities

34. Most municipal community committees in Kosovo continued to function and ensure that essential aid, including transportation, food, hygienic items and firewood, were made available to those in need. Several municipalities also amended their statutes to incorporate the regulation on the establishment of the municipal office for communities and returns.

35. The voluntary returns process continues to be slow. The United Nations High Commissioner for Refugees (UNHCR) registered 239 individual voluntary minority returnees during the last three months of 2012, including 61 Kosovo Serbs, 26 Kosovo Albanians, 103 members of Roma, Ashkali and Egyptian communities, 39 Kosovo Bosniaks, 9 Kosovo Goranis and 1 Montenegrin.

36. During 2012, UNHCR recorded 970 voluntary returns of minorities to Kosovo, compared with the 1,143 recorded during 2011. The comparative breakdown of such returns by minority ethnic group for 2012 and 2011 is as follows, respectively: Serbs (302/464); Roma (125/120); Ashkali and Egyptian (305/395); Bosniak (84/60); Gorani (89/106); Albanian to minority areas (62/27); Turk (none/1); Croat (2/none); and Montenegrin (1/9).

37. The number of internally displaced persons in Kosovo stood at 17,738 as at the end of December 2012, including 921 living in collective centres.

38. UNHCR has organized four "go-and-see" visits for internally displaced persons, mostly Kosovo Serbs and members of the Roma, Ashkali and Egyptian communities, in Serbia and within Kosovo as well as for refugees from Montenegro and the former Yugoslav Republic of Macedonia. The visits highlighted the importance of dialogue between potential returnees and receiving communities in order to resolve issues, mostly related to property, vandalism and

theft. Some progress was also made in the provision of municipal support for housing construction and refurbishment, as well as in the implementation of the UNHCR return and reintegration project.

39. As at the end of 2012, Kosovo had received 121 refugees and 45 requests for individual asylum — a relative decrease from 2011. Seventeen asylum seekers are currently awaiting decisions on their claims by the Kosovo authorities.

40. In 2012, UNHCR provided assistance to 2,499 individuals in obtaining personal documentation and resolving civil status issues. The United Nations Population Fund also supported the Kosovo authorities in improving interministerial coordination on that issue.

41. Municipal community safety councils, established to maintain safety in ethnically mixed areas, continued to meet regularly, with the exception of Istog/Istok, where, as mentioned earlier, Kosovo Serb residents suspended their participation in the local council and other municipal bodies, pending progress in the investigations by the Kosovo police of cases where local Kosovo Serbs and their property had been targeted.

42. During the reporting period, the Serbian authorities announced that the continued payment of salaries to employees of Belgrade-sponsored institutions in Kosovo would be contingent upon discontinuation of their employment by Kosovo institutions. This decision primarily affected the employees of the Belgrade- financed educational institutions. According to the instruction, all such employees had to declare their decision to remain on either the Serbian or the Kosovo payroll. The majority of the Kosovo Serbs concerned preferred to remain on the Government of Serbia payroll, which also provides relatively higher wages.

43. Kosovo Serbs continued to report difficulties in registering their vehicles, often due to missing Kosovo civil documents or lengthy bureaucratic procedures. the Kosovo Ministry of Internal Affairs conducted registration awareness campaigns in Kosovo Serb areas and, as a stop-gap measure, began issuing interim license plates to Kosovo Serbs whose registration documents were still under verification.

44. On 12 December, the lead-contaminated camp Osterode in northern Mitrovica was officially closed. The camp had hosted hundreds of Roma, Ashkali and Egyptian internally displaced persons over the past decade. The majority of them have been resettled into the Roma Mahala neighbourhood in southern Mitrovica or into an ethnically mixed neighbourhood in northern Mitrovica.

45. During 2012, with support from the United Nations Children's Fund, the education centre in the Leposaviq/Leposavić camp for Roma, Ashkali and Egyptian internally displaced persons supported the inclusion of children in the regular education system through preschool education activities. More than 10,000 nutrition supplements were also distributed to children to alleviate the effects of exposure to lead contamination.

46. UNMIK continued its field activities, focused especially on minority communities, in order to facilitate resolution of issues at the community level and to enhance the prospects for reconciliation. UNMIK has donated its surplus equipment — vehicles, computers and other items — to support vulnerable communities. Vehicles were also donated to the Kosovo police operating in the Mitrovica region.

VII. Cultural and religious heritage

47. UNMIK continued to facilitate the activities of the United Nations Educational, Scientific and Cultural Organization (UNESCO) in Kosovo. The fresco restoration at the Bogorodica Ljeviška Church in Prizren, funded by donations from Bulgaria, the Czech Republic, Greece, Italy and the Russian Federation, has been completed. Reconstruction work, funded by the Russian Federation, at three UNESCO cultural heritage sites, the Visoki Dečani Monastery, the Gračanica Monastery and the Peć Patriarchate, have also been completed. The tender for restoration of the Church of Dormition of Theotokos at the Gračanica Monastery has been finalized and work is expected to begin in the spring.

48. KFOR continues to provide on-site protection at the Visoki Dečani Monastery and the Peć Patriarchate. Other Orthodox patrimonial sites are now under the protection of the Kosovo police.

49. Despite the incidents surrounding the Orthodox Christmas celebrations, and growing concerns about the state of religious tolerance, constructive interaction took place between the Serbian Orthodox Church and the local authorities in Pejë/Peć municipality. They engaged in practical dialogue on a range of issues, and the local mayors were regularly invited to attend religious events. The Serbian Orthodox Church has established a study, research and documentation centre in the Peć Patriarchate, which has held several inter-faith academic and educational events, to which the Mayor of Pejë/Peć offered support in order to promote peace and reconciliation among local communities.

50. At the same time, in Deçan/Dečani, the resolution of a long-standing property dispute by a 27 December decision of the Special Chamber of the Supreme Court of Kosovo, which rejected the claims of two socially owned enterprises against Serbia and the Visoki Dečani Monastery, resulted in aggressive reactions by the local municipal leadership and suspension of their relations with the Monastery. This action caused a significant setback in the delicate efforts to build better relations and understanding between the monastic community and the citizenry in Deçan/Dečani.

51. The majority of the traditional annual visits of hundreds of Kosovo Serb pilgrims and displaced persons to churches and cemeteries for Orthodox All Souls' Day and annual patron saint days were well secured by the Kosovo police and conducted without significant incidents.

52. During the Orthodox Christmas, however, the number of pilgrims visiting Kosovo for services was significantly lower than in previous years, following announcements by some Kosovo Albanian activist groups of their intention to organize protests during the Christmas services.

53. On 6 January, the Orthodox Christmas Eve, some 20 activists of the opposition movement Vetëvendosje, along with eight members of the local association of missing persons, Voice of Mothers, attempted to block the entrance to the Church of the Assumption of the Blessed Virgin Mary for some 40 pilgrims, mostly displaced Kosovo Serbs from Gjakovë/Đakovica who currently reside in Serbia. However, the Kosovo police secured the entrance to the Church, which allowed the pilgrims to attend the services. There were almost no visits in 2013 to the Visoki Dečani Monastery during Orthodox Christmas.

54. Incidents of vandalism of religious sites and other forms of religious intolerance continued to be reported, including property damage and theft at Orthodox churches, as well as desecration of graves in Orthodox cemeteries. Twelve religious sites, including 5 churches and 7 graveyards were targets of theft and vandalism. On 15 January, over 50 Serbian Orthodox gravestones were found damaged in the cemetery in Nakarade village in Fushë Kosovë/Kosovo Polje municipality. While the incident was publicly condemned by the local mayor, and a suspect subsequently arrested by the Kosovo police, both the Kosovo Serb community and the Serbian Orthodox Church expressed concerns that this might mark an increasing trend in such instances. My Special Representative condemned the incident and called for a proactive response by the local authorities.

VIII. Human rights

55. A delegation of the Council of Europe Advisory Committee on the Framework Convention for the Protection of National Minorities visited Kosovo from 2 to 7 December. During a final meeting with the representatives of the international community, the delegation observed that despite the existence of an adequate legal framework, its enforcement remained weak.

56. Under the coordination of UNMIK and the Office of the High Commissioner for Human Rights (OHCHR), the Human Rights International Contact Group and its two subgroups, namely, on security incidents affecting non-majority communities and on property rights, continued to strengthen their coordination in monitoring human rights trends and advocating remedial action.

57. In October, the Advisory Office on Good Governance, Human Rights, Equal Opportunity and Gender Issues of the Office of the Prime Minister of Kosovo launched a midterm review of the 2009-2015 Strategy and Action Plan on Integration of Roma, Ashkali and Egyptian Communities, which has seen little implementation to date. The review is being carried out through a participatory process, involving local and international actors, including UNMIK.

58. On the anniversary of the adoption of Security Council resolution 1325 (2000), on 31 October, Kosovo authorities, UNMIK, international organizations and civil society representatives participated in a meeting funded by the European Union Office in Kosovo and EULEX to assess the progress and challenges in the implementation of the resolution in Kosovo. The drafting of a Kosovo action plan for the implementation of the resolution is advancing, with a special focus on addressing violence against women.

59. The United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) facilitated a dialogue in Istanbul in December among women leaders that involved parliamentarians from Kosovo and Serbia, members from six countries of the Regional Women's Lobby for Peace, Security and Justice in Southeast Europe, and civil society representatives. The participants pledged to continue organizing joint events in Serbia and Kosovo, as well as a regional conference on women in politics.

60. UN-Women also organized a high level round table, with the participation of Kosovo authorities, UNMIK and other international representatives, on the status of survivors of conflict-related sexual violence. Challenges continue to exist to the effective investigation and prosecution of sexual violence-related war crimes in Kosovo. For example, the applied Law on the Status and the Rights of the Martyrs, Invalids, Veterans and Members of the Kosovo Liberation Army, Civilian Victims of War and their Families does not explicitly include the survivors of conflict-related sexual violence and torture as a category.

61. On 14 December, an organized group violently disrupted the launch of the latest edition of the biannual journal Kosovo 2.0 , which focuses on sexuality, including homosexuality, in the Western Balkans. The violence was condemned by the Kosovo authorities, UNMIK, representatives of international organizations and diplomatic offices, as well as non-governmental organizations. Four Special Rapporteurs of the Human Rights Council addressed a letter of concern to my Special Representative, which he transmitted to the Prime Minister of Kosovo. On 16 December, four individuals broke into the premises of a non-governmental organization working on lesbian, gay, bisexual and transgender issues and attacked one of its members. The website of an international non-governmental organization that condemned the attack was hacked and shut down. The Kosovo police have formed a specialized task force to investigate those incidents.

62. In December, a representative of the Advisory Office on Good Governance, Human Rights, Equal Opportunity and Gender Issues informed that the Government had abandoned its action plan for the implementation of the Anti-Discrimination Law in favour of considering amendments to the Law. This constitutes a major success for civil society and international organizations, including OHCHR, which advocated amendments of the Law to ensure its more effective implementation.

IX. Observations

63. An essential step forward was achieved with the elevation of the Belgrade-Pristina dialogue to a high political level under the stewardship of the European Union. I commend the leaders on both sides for embarking upon this challenging yet vital political process, aimed at resolving the most difficult issues hampering progress in their mutual relations. I wish to express my appreciation to the High Representative for Foreign and Security Policy of the European Union for personally facilitating the high-level talks.

64. I am heartened by the practical and constructive atmosphere that has characterized the high-level engagement so far and by the early results, which have already become visible on the ground. While many difficult issues still lie ahead, the resumption of talks is a strong signal of the commitment by both sides to peaceful dialogue and overcoming the burdens of the past conflict. I strongly encourage Belgrade and Pristina to sustain the momentum and commitment in the face of challenges that may emerge in addressing some of the most sensitive unresolved issues.

65. I also commend the international presences for working in concert to seize the opportunities created by this new political initiative, and to address practical problems on the ground in the framework of their respective mandates. Events during the reporting period demonstrate both the continuing fragility of the situation on the ground and the potential for continued stabilization, provided there is sustained political leadership and good will.

66. With regard to the situation in northern Mitrovica, coordinated action and attention are needed to ensure that the difficult issues are addressed in good faith in order to avert future tensions and that essential municipal services continue to be provided to the local population. In that context, it is regrettable that the expectation to pay the salaries of civil servants employed at UNMIK Administration Mitrovica has not been met. The political dialogue and local mediation efforts should be used to help to avoid any escalation of the situation and to promote consensual and durable solutions.

67. Of equal importance to the high level political process, are sustained and well-grounded efforts to promote reconciliation and to increase trust among the communities in Kosovo. The international presences play a vital role in promoting this objective. However, its achievement also requires commitment and sincere efforts by the political leadership at all levels, local non-governmental organizations and civil society. In difficult economic times, these challenges are yet greater. However, active efforts at both political and community levels are required for progress to be achieved towards a more prosperous and secure future.

68. Acts of intolerance, such as those that occurred during the Orthodox Christmas holiday in 2013, do no justice to the aspirations of Kosovo society and should be met by firm and effective responses by the Kosovo authorities. I renew my call for unity among responsible actors to positively influence the situation on

the ground in Kosovo, and for unambiguous support for the path of peaceful progress through dialogue, the only path leading towards lasting stability and prosperity.

69. I express my gratitude to my Special Representative, Farid Zarif, for his leadership of UNMIK and his efforts to promote consensus solutions and to deepen cooperation among the key stakeholders. I commend the staff of UNMIK for their commitment and efforts to fulfil the responsibilities and objectives of the United Nations.

70. I conclude by extending my gratitude to the long-standing partners of the United Nations in Kosovo — KFOR/NATO, the European Union and OSCE, as well as the United Nations agencies, funds and programmes — for their support and close cooperation with UNMIK.

Annex I

Report of the European Union High Representative for Foreign Affairs and Security Policy to the Secretary-General on the activities of the European Union Rule of Law Mission in Kosovo

1. Summary

The European Union Rule of Law Mission in Kosovo (EULEX) continued to undertake monitoring, mentoring and advising activities in the rule of law sector and to implement its executive functions, in accordance with its mandate. Mixed panels of local and EULEX judges have either ruled or are in the process of adjudication in a number of high-profile war crimes, corruption and organized crime cases. During the reporting period, EULEX remained actively committed to Kosovo legislative processes and to supporting the European Union-facilitated Pristina-Belgrade dialogue. On 10 December, the integrated management of crossing points agreement started to be implemented at gates 1 and 3 (Rudnica/Jarinjë and Merdarë/Merdare crossing points).[1] Implementation at gates 5 and 31 (Končulj/Dheu i Bardhë and Bërnjak/Tabalije crossing points) commenced on 31 December. The Special Investigative Task Force continued its work, in line with its mandate, in investigating allegations contained in the report of the Council of Europe Special Rapporteur, Dick Marty, on illicit trafficking in human beings and human organs. The discovery of two unexploded hand grenades within the perimeter of gate 31 (Bërnjak/Tabalije) in Zubin Potok municipality represents a serious threat to EULEX staff and assets in the area.

2. EULEX activities, October 2012 to January 2013

General

On 9 November, the EULEX Head of Mission, the European Union Special Representative and the Kosovo Deputy Prime Minister/Minister of Justice co-signed the "Compact", which includes the common rule of law objectives for Kosovo institutions, the European Union Office and EULEX. The document will help guide continued rule of law reform efforts in Kosovo and allow regular review and stocktaking of progress achieved.

On 16 November, the EULEX Head of Mission held a series of meetings with officials in Belgrade, including Serbian Prime Minister Ivica Dačić and the Director of the Serbian Office for Kosovo, Aleksandar Vulin. The key issues

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[1] The names of the crossing points have been established by the integrated management of crossing points agreement.

discussed included the continued cooperation between Serbian institutions and EULEX in the rule of law area and the implementation of agreements made in the European Union- facilitated dialogue, including the integrated management of crossing points agreement.

On 17 December, Kaçanik/Kačanik Municipal Court issued an order to detain and arrest the former Mayor, Xhabir Zharku. On the same day, Zharku sent a letter. On 21 April 2011, Zharku had been sentenced by Pristina District Court to three years of imprisonment. The ruling issued by Pristina District Court was appealed to the Supreme Court, which confirmed the ruling of the Pristina District Court in May 2012. At the time of reporting, Zharku remains at large, and his whereabouts are unknown. The failure of the authorities to implement the Court's decision represents a notable challenge to rule of law in Kosovo.

On 7 January, Kosovo police detained 10 persons from the north of Kosovo in Graçanicë/Gračanica on the suspicion of being Aleksandar Vulin's unofficial close protection officers. EULEX monitors visited the detainees on the day of their arrest and witnessed part of their appearance in front of a judge the following day. No complaints about their treatment by Kosovo police were made on either occasion. After their release, late on 8 January, serious allegations of maltreatment emerged in the media, some of which were also raised with EULEX monitors, who went to meet them the following morning. In response to the allegations, the Police Inspectorate of Kosovo and EULEX police launched a preliminary investigation. On 15 January, the Chief EULEX Prosecutor issued a ruling to initiate a criminal investigation against at least one suspect police officer believed to have been identified through photographic evidence.

War crimes

On 20 November, based on an appeal filed by the Special Prosecution Office of Kosovo, a panel of two local and three EULEX judges at the Supreme Court annulled the verdict of the first instance court in the so-called Kleçkë/Klečka case. The case is related to war crimes allegedly committed in a Kosovo Liberation Army (KLA) detention facility in Kleçkë/Klečka and involves former KLA commander and current member of Parliament Fatmir Limaj, high-ranking police officer Nexhmi Krasniqi and two more co-defendants. In its ruling of 21 March 2012, the first instance court had ruled all evidence pertaining to the deceased key witness, "Witness X", inadmissible. As a consequence, all had been acquitted owing to lack of evidence. The Supreme Court, however, declared the evidence admissible and sent the case back to the first instance court for retrial. Since it had also declared that it did not have jurisdiction over the prosecutor's application for detention on remand, the Special Prosecution Office of Kosovo submitted the application to the Pristina District Court. On 23 November, the Pristina District Court granted the application and the defendants were taken into custody the same day. On 24 November, a EULEX judge ordered detention on remand for

them. On 27 November, a mixed panel of the Supreme Court rejected the appeal by the defence lawyers against the decision.

On 11 December, also based on the appeal filed by the Special Prosecution Office of Kosovo, the mixed panel of the Supreme Court decided against the judgement of acquittal of the further six defendants in the same case and sent their case back for retrial to the first instance court with the same reasoning. On the same day, the EULEX presiding judge of the retrial panel of the first instance court ordered detention on remand against four defendants and house detention against two accused. Appeals by the defendants against the security measures were rejected by a mixed panel of the Supreme Court on 18 December.

The decision to retry the case and the introduction of the measure of detention on remand sparked harsh criticism from senior Kosovo officials, misguided efforts by the Pristina authorities to meddle with the judicial process and attempts to interfere with the judicial process.

On 23 November, a panel of one local and two EULEX judges at the Pristina District Court acquitted Aleksandar Bulatović due to insufficient evidence. He had been charged with war crimes.

On 19 December, a panel of one local and two EULEX judges at the Supreme Court replaced the measure of house detention with detention on remand for two months against Sabit Geci, Rustem Geci and Hetem Geci charged with war crimes (two of them members of the Kosovo security force). The case is at the indictment stage. The indictment was filed in mid-December. The initial hearing on the confirmation of indictment is scheduled for 17 January.

Organized crime and corruption

On 19 October, a mixed panel of two EULEX judges and one local judge at the Pristina District Court found Kolë Puka (a former judge) guilty of issuing unlawful judicial decisions, abusing official position or authority, money-laundering and fraud. He was sentenced to 10 years of imprisonment and was prohibited from holding public office or practising law for three years after having served the sentence. His two co-defendants, Zef Marleku and Lon Palushaj, were acquitted of all charges.

On 4 November, a EULEX judge at Pejë/Peć District Court ordered detention on remand against four individuals who were arrested in a joint operation by EULEX and the Kosovo police. The four suspects were charged with accepting stolen goods and fraud. A large amount of gold was seized during the operation.

On 12 November, three individuals were arrested, including a German citizen, in a joint operation by EULEX police and the Kosovo police, for alleged misuse of €1.4 million in the so-called passports corruption affair. The case is being prosecuted by a team comprising one EULEX prosecutor and one local district prosecutor.

On 16 November, a EULEX prosecutor from the Special Prosecution Office of Kosovo filed an indictment against member of Parliament Fatmir Limaj and six co-suspects for organized crime and other corruption-related offences. Following the leak of wiretapped conversations of senior politicians, part of the indictment material, the government sent a draft law on interception of telecommunications to the Assembly of Kosovo on 14 December. The draft law puts the Kosovo Intelligence Agency in the position to monitor all lawful investigative interceptions before they are handed to the prosecution. EULEX had been involved in the drafting of the law from the beginning, insisting that there must be a separation of judicial and intelligence interception.

On 6 December, a EULEX judge at Gjilan/Gnjilane District Court confirmed the indictment against Bajram Sabedini and three other persons accused of organized crime and smuggling of migrants.

On 7 December, a panel of one EULEX and two Kosovo judges at Prizren District Court acquitted Resmije Osmani and Gëzim Rexhaj of charges connected to money-laundering, tax evasion, smuggling of goods and the misuse of economic authorization.

On 13 December, eight suspects were arrested and eight locations searched in a joint EULEX-Kosovo police investigation, supervised by a EULEX prosecutor from the Special Prosecution Office of Kosovo. The suspects were charged with organized crime and smuggling of migrants.

On 24 December, the Pristina District Court confirmed the indictment against four defendants, including two former Ministers of Culture, Astrit Haraqija and Valton Beqiri, accused of abuse of official duty or authority. The case is being prosecuted by a local prosecutor.

On 28 December, a EULEX judge at the Pristina District Court rejected the application for termination of detention on remand of Ilir Tolaj (former Permanent Secretary of the Ministry of Health). The defendant is accused of abuse of official position or authority. On 10 January, the trial against the defendants started.

Other key cases and issues

On 16 October, EULEX police arrested three individuals suspected of being members of a terrorist organization that claimed responsibility for three attacks on Serbian police in Dobrosin (crossing point 65), in Bujanovac municipality in Serbia. Two of the three individuals are suspected of having taken part in the most recent attack, which occurred on 7 October 2012. The case is being prosecuted by a EULEX prosecutor from the Special Prosecution Office of Kosovo. On 17 October, a EULEX pretrial judge at Gjilan/Gnjilane District Court ordered detention on remand for the arrested individuals. On 18 October, in a joint operation, EULEX and Kosovo police arrested a fourth person, in connection

with the same case. The EULEX pretrial judge ordered detention on remand for the fourth suspect.

On 6 November, a EULEX judge partially confirmed the indictment against five defendants in the so-called March 2008 riots case. The indictment was fully confirmed against a sixth defendant and dismissed against another. The defendants were charged in relation to the unlawful attack on Mitrovica District Court on 17 March 2008. The events led to the death of one UNMIK International Police Officer and injuries to many others, including KFOR soldiers.

On 7 November, the Supreme Court, in a panel composed of three local judges and two EULEX judges, reduced the sentence of Osman Zyberaj from 25 to 15 years of imprisonment on the grounds that he was in a state of diminished mental capacity at the time he had committed the crimes. The defendant was charged with the murder of Hasan Rrustemi and the attempted murder of his brother Nazim Rrustemi in October 2005. Hasan Rrustemi was known as the chief of the Serbian intelligence service for Kosovo in the 1980s.

On 8 November, the Supreme Court, rejected four appeals on behalf of three defendants suspected of terrorism against the ruling of the Gjilan/Gnjilane District Court, extending detention on remand and house detention.

On 9 November, a panel of two local judges and one EULEX judge at the Pristina District Court sentenced Arben Sfishta to six years of imprisonment for kidnapping.

On 14 November, a mixed panel of one local and two EULEX judges at Pejë/Peć District Court sentenced Driton Kelmendi to 23 years of imprisonment for aggravated murder.

On 4 December, a panel of three local and two EULEX judges at the Supreme Court rejected an appeal filed by Amir Sopa, who had been sentenced to 10 years of imprisonment on charges of terrorism.

On 17 December, a mixed panel of two EULEX and one local judge completed the trial against Sadik Abazi et al, also known as the Bllaca 2 murder case. All five defendants were found guilty and sentenced to between 7 and 15 years of imprisonment.

Special Investigative Task Force

The Special Investigative Task Force was set up in 2011 to conduct a full criminal investigation into the allegations contained in the report of the Council of Europe Special Rapporteur, Dick Marty. In his report, he addressed a wide range of alleged crimes, including abduction, detention, mistreatment and murder, in addition to the much-publicized allegations of organ harvesting and trafficking. In the report, the Task Force provided information on its activities over the past quarter, noting, however, its constraints in releasing operational details so as to

maintain the confidentiality and integrity of the investigation and to protect potential witnesses.

Over the past three months, the Task Force has continued to collect evidence from institutional sources, enhance cooperation with third States and conduct operational investigative activities. Information collected thus far from institutional sources has provided helpful background material for the more operational phase of the investigation, which includes witness interviews with individuals who may have information relevant to the Task Force inquiry.

As in the previous quarter, the Lead Prosecutor of the Special Investigative Task Force, Clint Williamson, continued his discussions with relevant countries regarding cooperation and witness relocation matters.

On 17 and 18 October, Mr. Williamson travelled to Serbia to meet with officials of the newly formed Government in Belgrade. He held positive and fruitful discussions with President Tomislav Nikolić and Prime Minister Ivica Dačić, as well as with the State War Crimes Prosecutor, Vladimir Vukčević. In their respective meetings, and in subsequent public statements, President Nikolić and Prime Minister Dačić both voiced their strong support for the work of the Special Investigative Task Force and pledged continued full cooperation by Government of Serbia institutions. Discussions with Vukčević focused on the ongoing operational cooperation between his office and Williamson's team of investigators and prosecutors.

On 13 and 14 November, Williamson met in Vienna with senior officials from the Austrian foreign affairs, justice and interior ministries, who confirmed their willingness to provide tangible support in areas of critical importance to the investigation. Immediately afterwards, on 15 and 16 November, Williamson went on to Skopje where he met with senior officials, including Prime Minister Nikola Gruevski, the Ministers of Justice and the Interior and representatives of the Department of European Affairs and of the Ministry of Foreign Affairs. All noted that they want to actively contribute to stability and reconciliation in the region and cooperate with European Union initiatives. The positive reception, which came from representatives across the political spectrum, serves as another example of the broad support throughout the region for the Special Investigative Task Force, adding to the high-level political commitments received in previous visits to Pristina, Belgrade, Tirana and Podgorica.

During his most recent periodic reporting to European Union member States, the States reconfirmed their full support for the Special Investigative Task Force at the highest levels, including areas such as witness protection, information exchange and staffing. Williamson also met with representatives at various European Union institutions in Brussels.

Williamson also had follow-up meetings with senior officials in the European Commission's Directorate-General for Enlargement, who have been extremely supportive of the Special Investigative Task Force and have continued to play a

very constructive role in facilitating cooperation by regional governments. As already expressed in the Commission communication on the enlargement strategy and main challenges 2012-2013, which was issued on 10 October, the European Commission reaffirmed its full support for the ongoing investigation by the Task Force. Likewise, Williamson had follow-up meetings with key members of the European Parliament. As with the European Commission, the Parliament has expressed a continuing willingness to assist the Task Force through its resolutions and other actions.

The European Union determination to support the Task Force was further underlined on 11 December in the context of the yearly discussion of European Union ministers on the Enlargement and Stabilization and Association Process. The conclusions of the Council of the European Union made explicit reference to the Task Force and underlined "the need to address impunity and ensure accountability, as well as fully cooperate and support the work of [the International Tribunal for the Former Yugoslavia] and the EULEX Special Investigative Task Force" and called for active cooperation with EULEX, including with the Task Force.

Property rights

During the reporting period the Kosovo Property Claims Commission held two sessions. Between October 2012 and January 2013, it adjudicated 1,351 mainly inter-ethnic property claims. The total number of adjudicated claims stands at 35,109, with 7,261 still to be resolved.

The Kosovo Property Agency Appeal Panel of the Supreme Court decided 64 cases between 1 October and 31 December 2012. The total number of adjudicated claims stands at 229 decisions, with 196 pending.

The backlog of more than 600 unregistered cases in the Special Chamber of the Supreme Court has been reduced to zero. Modalities are being implemented at the Special Chamber of the Supreme Court in order to prevent such a backlog from reoccurring; EULEX has also advised to moving forward expeditiously with the appointment of the Chief Registrar and Deputy Chief Registrar by the Kosovo Judicial Council, whose absence has contributed to undermining the functionality of the Special Chamber, including its Registry. Progress is being made in resolving the translation backlog through better use and management of resources and the likelihood of temporary additional translation resources by the Kosovo counterparts.

On 28 December, a mixed panel of the Special Chamber of the Supreme Court, presided over by a EULEX judge, rejected the claims of two socially owned enterprises against the Visoki Dečani Monastery. The cases relate to donation contracts made between Serbia and the Visoki Dečani Monastery in 1997. The decision has been strongly opposed by the League of Kosovo Historians and by

Deçan/Dečani Mayor Rasim Selmanaj. On 10 January, approximately 500 people protested against the decision.

Legislation

Kosovo has undertaken an important judicial reform, with the entry into force on 1 January 2013 of the Law on Courts, a new Criminal Code and a new Criminal Procedural Code. In addition, further changes in the judicial and prosecutorial system may be expected since five key legislations (Law on Courts, the State Prosecutor, the Kosovo Prosecutorial Council, the Kosovo Judicial Council and the Special Prosecution Office of Kosovo) are in the legislative strategy for 2013 and will be possibly further amended.

In the wake of the reform in place since 1 January 2013, the following important developments have taken place, which have all been monitored and supported by EULEX:

(a) The Law on Courts, which became effective on 1 January 2013, envisions a new court structure. The structure now consists of three main levels; seven basic courts, one Court of Appeals and a Supreme Court;

(b) In anticipation of the implementation of the new Law on Courts, the Kosovo Judicial Council conducted reassignments of judges and appointments of court presidents. The process (which started with consultation meetings with the judges at all the courts) was monitored by EULEX. The two EULEX Kosovo Judicial Council members participated in it in their executive capacity. The Kosovo Judicial Council in total appointed eight presidents of courts (seven presidents of basic courts and one president of the Court of Appeals). The ninth appointment, the President of the Basic Court of Pristina was cancelled upon advice from EULEX since the candidate did not fulfil the basic requirements. Subsequently, on 10 December, the Kosovo Judicial Council decided on a new candidate for the President for the Basic Court of Pristina as well as the remaining President of the Basic Court of Mitrovica;

(c) On 26 November, the Kosovo Judicial Council adopted a decision on maintaining the same composition of panels in EULEX cases after the entry into force of the new Law on Courts;

(d) According to the new law on State prosecutors, the 22 prosecutors appointed by the President of Kosovo (among which there are three minority representatives) to different offices throughout Kosovo were reassigned to the new structure, which became operational on 1 January 2013. The Kosovo Prosecutorial Council selected the prosecutors that were transferred to the new appellate prosecution office. EULEX monitored several interviews for prosecutor positions (including one minority community candidate) in the ongoing recruitment process.

The new Criminal Procedural Code of Kosovo, together with a new Criminal Code entered into force on 1 January 2013. The Criminal Procedural Code was promulgated by the President of Kosovo on 21 December 2012 and published in the Official Gazette of Kosovo on 27 December 2012, which did not allow sufficient time for training of the local judges and prosecutors before its entry into force. This would have been particularly relevant considering that the new Criminal Procedural

Code introduces a number of key changes from the previous one. For instance, the role of the police has significantly increased in the investigative phase, while the role of the injured party is more elaborated as the injured party can now have an increased access to the evidence. The detention regime has been amended and new deadlines are to be implemented. The confirmation stage has been removed. One of the issues currently faced by the judiciary is that the transitional provisions are contradictory to one another and there is a degree of uncertainty as to whether the new code is immediately applicable to all ongoing criminal cases.

The draft Law on Extended Powers of Confiscation of Assets Acquired by Criminal Offence, an European Commission feasibility study benchmark, which had passed the first reading at the Assembly after lengthy discussions at the ministerial level with the participation of EULEX legal experts over the previous months, still awaits adoption.

On 16 November, the Kosovo Prosecutorial Council unanimously approved the draft strategy on inter-institutional cooperation in the fight against organized crime and corruption. The development of the strategy is important for two reasons. First, it signals that the Kosovo Prosecutorial Council is taking steps towards fulfilling its policymaking role. Second, it serves as a platform for the development of cooperation between law enforcement bodies. The strategy was prepared in cooperation with EULEX.

EULEX continued to facilitate the rendering of international legal assistance with non-recognizing States. For instance, at the request of the Slovak authorities, and in agreement with the Kosovo authorities, EULEX facilitated the appropriate transmission of a request for extradition from the Ministry of Justice of the Slovak Republic to the Ministry of Justice of Kosovo, as well as the subsequent surrender of the individual from the Kosovo police to the Slovak police. Furthermore, EULEX facilitated transmission of another request for extradition from the Greek authorities to the Kosovo Ministry of Justice. The request is still in process at the Ministry of Justice.

During the reporting period the recruitment procedure for the position of Director of the Dubrava Prison was monitored by EULEX. The position has been vacant since 31 August 2012, when the Ministry of Justice decided to suspend the Director of Dubravë/Dubrava Prison and to relocate three of his deputies to other detention facilities as the result of violations of security procedures and the attempted/prevented escape of top-risk prisoners. Nine applicants were

interviewed on 15 November, but none of them was found adequately qualified for the position. Following EULEX advice, the position was re-advertised.

The overcrowding of detention facilities continues to be an issue for the Kosovo Correctional Service. EULEX is currently working with the respective facility directors to prepare possible short-term solutions and long-term options to ease the overcrowding, especially at Dubrava Prison.

EULEX provided advice on three international agreements (on extradition, mutual legal assistance and transfer of sentenced persons) concluded with Albania, as well as on several other agreements of the same type for which negotiations have been initiated with Montenegro and Slovenia.

Due to the refurbishment of the Pristina Basic Court[2] starting in January 2013, court facilities will be closed for the duration of the works. This left EULEX without suitable courtroom facilities for holding court hearings for the Special Prosecution Office of Kosovo and other high-profile sensitive cases. Based on the planning for 2013, the Kosovo Judicial Council found alternate court facilities for a period of at least five months in order to conduct all sessions and court hearings related to those cases. EULEX and the Kosovo Judicial Council will continue to work together on a solution.

EULEX participated in the development of the new crime prevention strategy for the Kosovo police (2012-2017) in a working group. The anticipation is that the strategy will help to prioritize resources and provide for strategic direction in the prevention of crime.

Other key cases and issues

On 14 December, the launch of the latest edition of Kosovo 2.0 , entitled "Sex", was interrupted when a group of approximately 20 to 30 men rushed into the venue intentionally causing material damage and disrupting the function. At the same time, approximately 100 protestors gathered to show their disapproval of the magazine launch, with several resorting to religious chanting. Later that night, two foreign embassy interns randomly passing by the venue were attacked. The incident was condemned by domestic and international organizations alike. EULEX advised the Kosovo police on undertaking dynamic threat assessments and monitored the launch of an investigation surrounding the event.

The north

The reporting period has been marred by a number of security incidents that demonstrate the volatile security environment in which the Mission continues to operate. The Kosovo Serb community's opposition to the implementation of the

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[2] The district courts have become basic courts under the new legislation that came into effect o1 January 2013.

integrated management of crossing points agreement, and the arrest of a Kosovo Serb at gate 1, following an arrest warrant issued against him in connection with a vehicle theft case in 2000, have contributed to a period of heightened tension in the north of Kosovo. His arrest on 28 October 2012 led to approximately 400 Kosovo Serbs staging a peaceful protest in northern Mitrovica on 31 October. He was released from custody on 29 October.

In addition, the return of ethnic Albanian displaced persons to the Kroi i Vitakut/Brđani neighbourhood of northern Mitrovica and Zvečan/Zveçan continued to generate tension between the local Albanian and Serb communities. On 21 November, a detonation, which is believed to have been caused by a hand grenade, was heard close to a house under construction in the ethnically mixed area. No injuries were reported. Kosovo police requested EULEX support, and formed police units were mobilized and remained within the proximity of the area for a period of approximately one month. The incident occurred following tensions the previous day, when separate groups of Kosovo Serbs and Albanians started throwing stones at each other after UNMIK Administration Mitrovica inspectors ruled that construction had to be halted. Between 5 and 10 shots were fired by an unknown suspect during the incident and Kosovo police intervened to de-escalate the situation, thus preventing further confrontation. On 22 November, Kroi i Vitakut/Brđani was the scene of a further escalation of tensions when around 200 Kosovo Serbs gathered to oppose the reconstruction of Kosovo Albanian houses. The negotiations of Kosovo police north police station officers with representatives of the protesters ended without any success. Tensions in the area remain high, and an escalation of the situation can be expected when construction resumes.

On 24 and 29 November, two unexploded hand grenades were found within the perimeter of gate 31 in Zubin Potok. EULEX dispatched a team of the Task Force Mitrovica for crime scene investigations. The discovery of the hand grenades represents a serious threat to EULEX and other staff and assets in the area.

Dialogue implementation

On 10 December, implementation of the first step of the integrated management of crossing points agreement began. Gates 1 and 3 (Rudnica/Jarinjë and Merdarë/ Merdare crossing points) began functioning in line with the agreement. EULEX is present in the capacity of its mandate and is a part of the process, but the gates are manned by members of the relevant Serbia and Kosovo customs and police authorities, in accordance with their agreement.

The first step was implemented against the background of the Serbian community leaders in north Kosovo rejecting the implementation of the integrated management of crossing points agreement and claiming that it would lead to the creation of an international border with Serbia. In addition, in the aftermath of the opening of the first two crossing points it became evident that

customs procedures on goods transported to northern Kosovo from Serbia are a contentious issue. EULEX participated in implementation group meetings held in Brussels in order to resolve pending issues. On 18 December, the Belgrade and Pristina delegations in Brussels reached an understanding on an interim solution on the issue of customs procedures to be applied at gate 1 (Rudnica/Jarinjë crossing point).

Despite the arrangement reached by the parties in Brussels, representatives of the north Kosovo Serb business community decided to protest against the agreement across north Kosovo on a three-day-per-week basis, starting on 24 December, when demonstrations blocking roads for a few hours were held in northern Mitrovica, Zveçan/Zvečan and Leposaviq/Leposavić (in the vicinity of gate 1). The protests subsided on 28 December, although other localized protests in the Zubin Potok area persisted.

On 31 December, gates 5 (Končulj/Dheu i Bardhë) and 31 (Bërnjak/Tabalije) began functioning in line with the integrated management of crossing points agreement.

During the reporting period, the Mission was also actively involved in supporting the Kosovo police in the selection process for a new multi-ethnic police unit that would have the responsibility to protect religious sites. The establishment of the new multi-ethnic unit was discussed at the second meeting of the European Union-facilitated dialogue that was held on 7 November. Prime Minister Thaçi confirmed the establishment of the unit at the third meeting, held on 4 December, in the framework of the European Union-facilitated dialogue. The recruitment process is currently taking place; however, the challenge of identifying suitable candidates for the command role needs to be addressed.

As part of a full-scale project undertaken in accordance with the implementation of the Belgrade-Pristina dialogue agreement on civil registry books, the number of certified copies of original civil/religious registry books has reached a total of 1,190, including the total number of copies certified under the small-scale project completed in the Serbian city of Niš in 2012.

Approved by Xavier Bout De Marnhac

Head of Mission

Annex II

Composition and strength of the police and military liaison components of the United Nations Interim Administration Mission in Kosovo

Composition and strength of the police component of the United Nations
Interim Administration Mission in Kosovo
(as at 11 January 2013)

Country	Number
Belgium	1
Croatia	1
Germany	1
Hungary	1
Italy	1
Turkey	1
Ukraine	1
Total	7

Composition and strength of the military liaison component of the United
Nations Interim Administration Mission in Kosovo
(as at 11 January 2013)

Country	Number
Czech Republic	1
Poland	1
Norway	1
Republic of Moldova	1
Romania	1
Turkey	1
Ukraine	2
Total	8

Official Journal of the European Union

Development of the common security and defence policy following the entry into force of the Lisbon Treaty

P7_TA(2011)0228

European Parliament resolution of 11 May 2011 on the development of the common security and defence policy following the entry into force of the Lisbon Treaty (2010/2299(INI))

(2012/C 377 E/07)

The European Parliament,

— having regard to Title V of the Treaty on European Union and to the Treaty on the Functioning of the European Union,

— having regard to the Charter of the United Nations,

— having regard to the European Security Strategy entitled 'A secure Europe in a better world', adopted by the European Council on 12 December 2003, and to the report on its implementation entitled 'Providing security in a changing world', endorsed by the European Council on 11-12 December 2008,

— having regard to the Foreign Affairs (Defence) Council conclusions on the CSDP adopted on 9 December 2010 and on 31 January 2011,

— having regard to the outcome of the UK-France Summit on security and defence cooperation of 2 November 2010,

— having regard to the Internal Security Strategy for the European Union, endorsed by the European Council on 25-26 March 2010,

— having regard to the Council Decision of 26 July 2010 establishing the organisation and functioning of the European External Action Service,[1]

— having regard to its resolution of 23 November 2010 on civilian-military cooperation and the development of civilian-military capabilities,[2]

— having regard to its resolution of 10 March 2010 on the implementation of the European Security Strategy and the Common Security and Defence Policy,[3]

— having regard to Rule 48 of its Rules of Procedure,

— having regard to the report of the Committee on Foreign Affairs (A7-0166/2011),

Security and foreign policy

1. Recalls that the international system is undergoing rapid and profound change, driven by the shift of power towards emerging international actors and deepening interdependence, encompassing economic and financial problems, environmental deterioration and climate change, energy and resource scarcity, and interconnected security challenges;

2. Recognises that, in a turbulent global context and at a time of economic and financial crisis, the EU is being called upon to enhance its strategic autonomy to uphold its values, pursue its interests and protect its citizens by developing a shared vision of the main challenges and threats and by aligning its capabilities and resources to adequately respond to them, thereby contributing to the preservation of international peace and global security, including by pursuing effective multilateralism;

3. Is of the view that enhancing strategic autonomy in security affairs entails, for the EU, the capacity to agree upon common political objectives and strategic guidelines, to establish strategic partnerships with relevant international organisations, including NATO, and States to collect adequate information and generate joint analyses and assessments, to harness and, where necessary, pool financial, civilian and military resources, to plan and run effective crisis management operations across the extended range of the Petersberg-type missions, and to frame and implement a common defence policy, laying the first tangible foundations on which to build common defence;

4. Emphasises that the new provisions on Common Security and Defence Policy (CSDP) introduced by the Lisbon Treaty provide a firm political statement of the Union's intention to act as a force for stability in the world and provide a clear legal framework for reinforcing its capacities to pursue its foreign and security policy through a comprehensive approach drawing upon all the instruments available to the EU and its Member States, to prevent and manage crises and conflicts, and to build lasting peace;

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[1] OJ L 201, 3.8.2010, p. 30.

[2] Texts adopted, P7_TA(2010)0419.

[3] OJ C 349E, 22.12.2010, p. 63.

5. In particular, recalls that:

    (a) the CFSP and the CSDP, which is an integral part thereof, have been placed within the legally binding institutional framework of EU principles (democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and principles of international law, including the Responsibility to Protect), and their objectives have been merged with the general objectives of the EU's external action;

    (b) when conducting foreign and security policy the EU must ensure consistency and coherence between the different areas of its external action and between external and internal policies; notes that the VP/HR has a special responsibility in this matter;

    (c) the VP/HR, in close cooperation with the Member States, conducts the CFSP, proposes CSDP decisions, missions and the use of national resources and Union instruments together with the Commission, and, where appropriate, coordinates their civilian and military aspects, and chairs the Foreign Affairs Council, serving also as the Commission Vice-President in charge both of the Commission's external relations responsibilities and of coordinating, and providing consistency in, EU external action as a whole;

    (d) the HR has powers to make proposals to the Council in common foreign and security policy, either on her own initiative or at the request of the European Council, and under the overall direction of the European Council – in which case the Council may act by QMV;

6. Underlines that the duty of consistency as defined by the Treaty, the new wording of Article 40 TEU (which states that the implementation of both the CFSP and the other EU policies shall not affect the application of the respective procedures) and recent ECJ case law (see the SALW case) protect both the primacy of the Community method and the distinguishing features and prerogatives of the CFSP, while encouraging the convergence of different policies, instruments, resources and legal bases in a holistic, comprehensive approach, whereby contributing to peace and security in the world becomes a cross- cutting objective of EU external and internal action and the CSDP is one of its instruments; notes that military assets can be also deployed in the event of natural and man-made disasters, as shown in practice by the EU Military Staff coordination of military capabilities in support of civilian-led humanitarian relief operations during the Pakistan floods in 2010, in accordance with the applicable UN guidelines on the use of military and civil defence assets in international disaster relief (Oslo guidelines) and following the request by the Commission;

7. Expresses concern, therefore, that, more than one year after the entry into force of the Lisbon Treaty, there are not yet clear signs of a post-Lisbon EU comprehensive approach enabling traditional procedural and institutional barriers to be overcome,

while preserving the respective legal prerogatives when European citizens' security is at stake;

8. Is convinced that a credible external security policy requires deepened interdependence between the Member States and improved internal cohesion and mutual trust and solidarity, similar to what has been achieved in the internal security sphere through Schengen cooperation (whereby Schengen countries, by protecting their own borders, protect the borders of the other Member States, national rules acquire continental scope, and tasks related to the protection of national security can also be performed on the territory of another state or in joint teams operating in accordance with European standards);

9. Regrets the unwillingness of the EU Member States to define a common position on the Libya crisis, on UN Security Council Resolution 1973 and on the ways to implement it; expresses deep concern about the risk of considering ad hoc coalitions of the willing or bilateral cooperation as viable substitutes for CSDP, as no European State has the capacity to be a significant security and defence actor in the 21st century world; recalls that the Lisbon Treaty provides for the possibility to entrust the implementation of a crisis management operation to a group of Member States, but only within the framework of a Council decision defining the objectives, scope and conditions of their implementation, and with the association of the HR/VP; insists that a common response to the developments in Libya is essential to formulate a credible new approach for our southern neighbourhood policy; reiterates that the mandate given in UN Security Council Resolution 1973(2011) to protect Libyan civilians should not be exceeded through the disproportionate use of force; calls on the VP/HR to take concrete measures to secure an early ceasefire in order to stop the bloodshed and suffering of the Libyan people; urges the VP/HR to play a strong and direct role in fostering political initiatives in this direction; considers it crucial to work closely with the Interim Transitional National Council, the African Union and the Arab League in order to channel the current military conflict towards political and diplomatic solutions, including the objective of securing the resignation of the Gaddafi regime; underlines that the elaboration of a strategy for the Sahel region and the Horn of Africa is yet another concrete opportunity to demonstrate the ability of the EU to act both on security and development challenges;

10. Urges the European Council to carry out its task of identifying the strategic interests and political objectives of the EU by drawing up a European foreign policy strategy geared to international developments which should be based on real convergence of the different dimensions of EU external action and subject to regular review; calls on the HR/VP and the Council to build on the concept of human security to make it central to the European Foreign Policy Strategy and translate it into tangible policy guidelines;

11. Calls on the European Council and its President to set about this task by engaging in political dialogue with the European Parliament and to discuss Parliament's recommendations; maintains that such a dialogue is required in the light of the new Treaty provisions and of the need to lay down and implement the foreign policy strategy, proceeding from an effective comprehensive approach; suggests that such a dialogue needs to take place on a regular basis, and to focus on progress achieved as much as on prospects;

12. Points out that the role conferred on the European Parliament as the body directly representing EU citizens makes Parliament a vital source of democratic legitimacy for the CFSP/CSDP and lends weight to its right to expect that its opinions and recommendations will be taken properly into consideration;

13. Points out in addition that, by virtue of the Treaty, the VP/HR is subject to a vote of consent by the European Parliament, and that Parliament participates in the decision-making on the EU external action budget, including CFSP and CSDP civilian missions and the administrative costs arising from EU military coordination, and that its consent is essential in order to translate EU strategies into laws and to conclude international agreements, including agreements relating mainly to the CFSP, the one exception being agreements relating solely to the CFSP;

14. Wishes to enhance cooperation with EU national parliaments in exercising democratic scrutiny over the CFSP and the CSDP, with the goal of mutually reinforcing their respective influence on the political choices made by the other European institutions and by the Member States, while fully respecting existing national parliaments' defence policy prerogatives; regrets the lack of agreement at the EU Speakers' Conference on 4/5 April 2011 on the features of an interparliamentary conference on CFSP/CSDP and looks forward to reaching an agreement with national parliaments on new forms of interparliamentary cooperation in this field; recalls that Article 9 of Protocol 1 to the Lisbon Treaty on the role of national parliaments clearly states that the organisation and promotion of any form of effective and regular interparliamentary cooperation within the Union shall be determined together by the European Parliament and national parliaments;

15. Emphasises the role which the Treaties have assigned to the Commission in carrying out the policies and measures linked to the other dimensions of EU external action, in proposing legislative initiatives, in implementing the budget and managing Community programmes, and in organising external representation of the EU except in the case of the CFSP; calls on the Council, the Commission and Parliament to strengthen their cooperation in order to ensure, without prejudice to their respective prerogatives, consistency between the different areas of EU external action for more effective use of CSDP instruments;

16. Points out that the powers and responsibilities of the VP/HR do not merely constitute 'double hatting', but represent a merging of functions and sources

of legitimacy, making her role central to the process of bringing the various instruments, actors and procedures of EU external action into a coherent relationship; calls on the VP/HR to interpret her role as a proactive one and to pursue a constructive dialogue with Parliament in the framework of the twofold effort to actively foster a political consensus among the Member States on the strategic directions and policy options for the CFSP and the CSDP, and to bring coherence to, effectively coordinate and fully exploit the potential for the CFSP-CSDP to act synergistically with the other sectors of EU external action and with EU internal policies with an impact and implications at the external level;

17. Considers that the EEAS has a key role to play in bringing about an effective comprehensive approach based on full integration of the CSDP, the CFSP and the other dimensions of EU external action, notably development cooperation, trade and energy security policies; welcomes the outcome of the negotiations, which has served to establish the EEAS as a structure to assist the EU institutions and the various dimensions of EU external action and conferred a wide range of powers and responsibilities on it while providing a solid link to the Commission without in any way encroaching on the Commission's prerogatives, and hopes that the responsibility assigned to the EEAS for strategic planning of the main financial instruments related to EU external action will translate into genuinely coherent use thereof to further EU principles and objectives;

18. Reiterates its view that the civilian and military crisis management structures and capabilities should be coordinated more closely and should act more synergistically within the comprehensive approach, without altering the distinctions between civilian and military roles and the different decision-making procedures and chains of command;

19. Regrets the fact that the provisional organisation chart of the EEAS does not include all existing units dealing with crisis response planning and programming, conflict prevention and peacebuilding with the CSDP structures in line with the Madrid agreement; calls in this context first for the organisation of regular meetings of a crisis management board to be composed of the CMPD, the CCPC, the EUMS, the EU SITCEN, the peace-building, conflict prevention, mediation and security policy units, the Chair of the PSC, the geographical desks and other policy departments concerned, placed under the authority of the VP/HR and the executive Secretary-General and with the participation of the Commission humanitarian aid, civil protection and internal security structures according to the circumstances; such meetings would be coordinated by the Managing Director for Crisis Response; calls on the VP/HR and the Commission to equip the board with an efficient alert and emergency system and a large unified operations room, located within the EEAS, so as to enable surveillance to be carried out 24 hours a day, 7 days a week, hence avoiding the present operational overlapping, which hardly squares with the need for a proper surveillance and rapid reaction system to deal with crises; considers that regular coordination and exchange should be

ensured between this system and the European emergency response centre currently being developed by the Commission to guarantee appropriate synergies while respecting each other's competencies; secondly, calls for a permanent working structure involving the above-mentioned actors going beyond acute crisis management in order to develop common approaches, in areas such as the rule of law and security sector reform; thirdly, calls for a midterm review of the current arrangements with a view to establishing truly integrated strategic planning and conceptual development in the field of crisis management and peace building for the EEAS;

20. Believes that the Crisis Management Board should provide the EEAS with unified contingency planning in relation to potential theatres and crisis scenarios and, secondly, also through a crisis platform for practical crisis response management, working both in Brussels and on the ground to coordinate the use of the various financial instruments and deployment of capabilities available to the EU, without undermining the specific decision-making procedures and legal bases applying to the deployment of civilian and military capabilities under the CFSP/CSDP or to the use of Community instruments;

21. Points to the need to strengthen the civilian and military crisis response structures, departments and units within the EEAS and the Commission, spreading them out and organising them in a more rational way, and in particular:

    (a) calls for expansion of the CPCC unit responsible for operational planning of civilian missions;

    (b) renews its call for the Foreign Policy Instruments Service (FPIS) in charge of planning and programming the Instrument for Stability Article 3 crisis response measures to be integrated into the EEAS crisis management and peacebuilding structures and, specifically, for the former Relex/A2 posts assigned to Unit 2 of the new foreign policy instruments (12 AD and 5 AST) to be transferred to the EEAS; points out that this transfer is a condition which has to be satisfied in order to release the reserve under the corresponding heading in the Commission budget;

    (c) supports the establishment of a Shared Services Centre for the management of CSDP missions, that is to say, an interinstitutional office comprising the Commission's Unit 3 (CFSP Operations of the Foreign Policy Instruments – formerly Relex/A3) and the CPCC Mission Support Unit; notes that the new Service, by addressing the personnel, logistics, procurement and financial responsibilities of the civilian CSDP missions and by relieving the Heads of Mission from part of their administrative duties, would guarantee greater efficiency both by pooling administrative functions, starting with the selection and recruitment of personnel, and by centralising procurement and equipment management;

22. Regrets the scant results achieved by the Civilian Headline Goal 2010 process regarding civilian capabilities, and in particular the discrepancy between the personnel assigned by Member States on paper and the numbers actually available for missions and the modest progress as regards the training of human resources (no common standards, limited number of training programmes uploaded to the Schoolmaster training opportunities programme within the Goalkeeper software environment); calls on the VP/HR, the Council and the Member States to take coordinated steps to reactivate the development of civilian capabilities, especially where recruitment, gender balance, training and deployment are concerned; in particular, stresses the importance of continuing to build on the heritage of the two Civilian Headline Goals that the EU has pursued so far in order to face these outstanding challenges; calls for the establishment of a Community mechanism for enhancing civilian capabilities, especially training and increasing the civil part of the European Security and Defence College;

Security and defence

23. Reaffirms that credible, reliable and available military capabilities are a sine qua non for an autonomous CSDP and a comprehensive approach and that Member States need to provide them; further stresses that those military capabilities can be applied for diverse purposes, not least for civilian ones, in keeping with the principles underlying EU action on the international stage and the self-determined nature of the EU legal order;

24. Regrets the sharp contrast between the EUR 200 billion per year spent by the Member States on defence, the lack of means at the EU's disposal and the painfully protracted force generation conferences for EU military operations at a time when there are redundant capabilities and personnel; deplores the fact that over more than twelve years the method of the force generation process has not yielded any de facto improvements regarding the quantity and quality of military capabilities available for CSDP missions; stresses the need to evaluate the improvements of military capabilities on a regular basis; points out that there is an increasing mismatch between growing demand from abroad and the resources that Member States make available to the Union;

25. Notes with anxiety that the current economic austerity could lead to cuts that were not concerted at European level and to continuing overlapping that might call the CSDP as such into question, whereas the end effect should be to push the Member States towards smarter defence spending whereby they would pool and share a larger proportion of their defence capabilities, budget and requirements while achieving more security for their citizens; calls on Member States to develop greater transparency regarding their respective defence budgets;

26. Recalls that the CFSP and CSDP, should also lead to disarmament and non-proliferations of weapons ranging from small and light weapons (SALW) to nuclear warheads and ballistic missiles; urges the VP/HR to give this policy

priority by promoting a new series of proactive measures addressing the issues of landmines, cluster munitions and depleted uranium ammunition, and small and light weapons, biological, chemical and nuclear weapons of mass destruction and their means of delivery; urges the VP/HR to report to the European Parliament about the implementation of the 2010 NPT Review Conference and its action plan on disarmament and non-proliferation on an annual basis;

27. Deplores the widespread overlapping of defence programmes in the EU, such as the more than 20 armoured vehicle programmes, the 6 different attack submarine programmes, the 5 ground-to-air missile programmes and the 3 combat aircraft programmes, and its consequences, namely that economies of scale are not achieved, limited economic resources are wasted, and the prices of European defence equipment are over-inflated, which moreover leads to continuing fragmentation of the European Defence Technological and Industrial Base (EDTIB), hampers the competitiveness of the whole security-related industrial sector in Europe and in this regard directly endangers technological leadership and employment;

28. Reaffirms that all of the above points should be tackled by means of a clear-cut long-term common political resolve, making full use of the potential offered by the Lisbon Treaty, and that any common defence policy intended to move gradually towards common defence must serve to strengthen the EU's ability to respond to crises and to provide for long-term peace-building, and above all enhance Europe's strategic autonomy and capacity to act; calls for an extraordinary European Council meeting to be given over to European security and defence; renews its call for the drafting of a White Paper on European security and defence, to be set up in a process that includes all relevant EU stakeholders, and to be based on national defence and security reviews in all the Member States which accord with a common template and allow for direct comparability of strengths and weaknesses in current capabilities and planning assumptions;

29. Strongly calls on Member States to support the European Defence Agency as the expert EU agency entrusted with the role of identifying and developing defence capabilities in the field of crisis management and of promoting and enhancing European armaments cooperation;

30. Takes note that the Franco-British agreement of 2 November 2010 on security and defence cooperation has been indeed launched outside the framework of the Treaty on European Union; hopes nevertheless that this latest attempt at Franco-British collaboration can act as a catalyst for further progress at European level in line with the Union's institutional framework and the logical requirements of rationalisation, interoperability and cost-effectiveness; underlines that the EDA should play a supportive role in this context; considers that the current Franco-British defence cooperation should provide a roadmap for more effective European defence cooperation based on capability planning and mutual dependency; urges the governments of France and the United Kingdom to commit to future European multilateral pooling and sharing arrangements;

31. Emphasises that the Permanent Structured Cooperation, as laid down in the Treaty, provides legal safeguards and obligations, and is also an instrument to promote better use of CSDP assets in times of economic austerity and to overcome a lack of consensus among Member States; calls on the Council and the Member States to determine the aims and substance of such cooperation without further delay, involving all the Member States which prove themselves to be both politically willing and militarily capable;

32. Believes that the role of the Defence Ministers needs to be strengthened within the Foreign Affairs Council configuration;

33. Recalls that the clause on mutual assistance represents a legal obligation of effective solidarity in the event of an external attack against any of the Member States, without conflicting with NATO's role in the European security architecture, while at the same time respecting the neutrality of some Member States; recommends, therefore, that serious thought be given to the real impact of the clause on mutual assistance, tackling the unresolved problems regarding the implementing provisions, which were removed from the draft Treaty on the Functioning of the European Union; calls for political guidelines to be drawn up, an imperative need which has arisen not least from the recent termination of the modified Treaty of Brussels (WEU);

34. Recognises that within the CSDP development process, the time has now come for the political achievement and the institutional achievement to be followed by concrete achievements as regards military capabilities; points out that the provisions introduced by the Lisbon Treaty offer great potential for promoting the development of those capabilities and laying down a progressive framework for the EU's defence policy, and maintains that they need to be put to effective use as a matter of urgency;

35. Recommends that Member States commit themselves fully to the provision and sustainability of military capabilities, matching the trend towards growing emphasis on the qualitative aspects; endorses the requests made at the Ghent informal Defence Ministers' meeting and in the German-Swedish paper and the Weimar initiative and calls for the operative phase to begin without delay, in line with the December 2010 Council conclusions, in which the Defence Ministers agreed that the EDA should intensify its work to facilitate the identification of areas for pooling and sharing military capabilities, including through the support of a team of wise men; stresses the need to make this new approach to capability development a success; calls on the Member States to respect the deadline set by the December 2010 Council; recalls that the Chiefs of Staff of the EU armed forces have been tasked to screen their capabilities by May 2011, that the EU Military Staff has been commissioned to use this data for producing an overview by mid-2011 and that EU Ministers of Defence will reach final conclusions by the end of this year; calls on the Agency to make this new initiative its priority and to list potential new cooperation projects (for instance in areas such as satellite communications,

medical support, naval logistics and cyber security) so as to avoid overlapping of costs and increase interoperability;

36. Supports the recommendations of the January 2011 Foreign Affairs Council, which called on the VP/HR to pursue the subjects raised in the Weimar initiative so as to enable practical measures to be taken on the basis of a report that she is to submit to the Foreign Affairs Council by mid-2011, with a view to achieving concrete results by the end of the year as far as possible, including the potential for extending such initiatives to include other interested Member States;

37. Reaffirms the need to overcome the current imbalance in terms of planning and conduct capabilities of civilian and military operations by providing the EU with a permanent civil-military planning and conduct capacity or Operational Headquarters (OHQ) which will allow for a more reactive and cost- effective EU response; points out that the Berlin Plus arrangements have been put to only limited use, having been confined to date to takeovers of pre-existing NATO missions, and draws attention to the problems connected with the framework nation track, which is based on the use of five national OHQs, adding the lack of pre-planning to the difficulties in force generation and increased complexity of coordinating civilian and military capabilities;

38. Considers that the existing Operation Centre, though constituting a welcome first step, falls short of requirements and of the level of ambition of a permanent OHQ and that it must instead be made permanent and put in a position to manage larger missions, that it must be granted adequate staff resources and operational infrastructure and that the unreliability of the EU's communications and information systems infrastructure must be dealt with, the main reason for which is that there is no permanent command and control (C2) structure (and relevant legal framework), a fact which can also adversely affect situational awareness; advocates co-location of the military OHQ with the civilian HQ, in order to allow the whole range of military and civilian operations to be carried out, exploiting potential synergistic effects to the full while respecting the distinctive civilian and military chains of command and the different decision-making procedures and financing arrangements;

39. Welcomes the fact that, in her reply to the Weimar initiative, the VP/HR recognised the need for an EU military conduct capability; maintains that the cost-efficiency analysis called for by the VP/HR should also factor in the costs arising because the EU has no OHQ; declares its intention of promoting a study on that point and on the possible cost of, and financing arrangements for, the new structure;

40. Recognises the soundness of the Battlegroups, but calls for the concept and the structure of the Battlegroups, which have so far never been deployed, to be carefully reviewed for an increased degree of flexibility and efficiency; believes that

— consideration could be given to specialising one of the two Battlegroups in niche capabilities and/or capabilities suited to low-intensity conflicts entailing mixed civilian-military tasks;

— the operating costs should be charged to the ATHENA mechanism, which is due to be reviewed under the Polish Presidency;

41. Underlines the Treaty reference to a European capabilities and armaments policy to be defined with the participation of the EDA and calls for the cooperation of the EU institutions, bodies and Member States to this end in the framing and implementation of such a policy;

42. Encourages close cooperation between the Agency and the Commission with a view to enhancing dual-use capabilities in order to find the most comprehensive approach to security-related research and to make for better synergic management of civilian-military resources, in particular through the security theme of the Framework Programme for Research and Technological Development; accordingly welcomes the prospect of the Eighth Framework Programme, which will also cover external security; and calls on the Commission to acknowledge the reality of the civil-military nature of crisis management and consider the financing of security and defence research which has civilian applications with Community funds; notes, however, that this cooperation should not exceed what is necessary with a view to civil-military cooperation in peace-keeping, conflict prevention and strengthening international security as well as crisis management activities;

43. Urges the head of the EDA (HR/VP) as well as the Council to deliver in good time a new Council Decision on Establishing the EDA based on the EDA's new role as described in the Lisbon Treaty; questions the current legal basis of the EDA dating back to 2004 in view of the Lisbon Treaty and its implications for the EDA; calls on the Council to inform the European Parliament on the necessary changes to the Council Joint Action on Establishing the EDA resulting from the EDA's inclusion in the Lisbon Treaty;

44. Calls for the establishment of a strong partnership between the Commission, Parliament, the EDA and the participating Member States on the preparations for the Eighth Framework Programme with a view to investments in technology areas of common interest at EU level, bearing in mind not least that the amount spent in Europe on investment in defence-related R&D is currently equivalent to about 10 % of the US figure;

45. Calls for strong cooperation between the EDA and the Organisation Conjointe de Coopération en matière d'ARmement (OCCAR); requests information from the head of the EDA (HR/VP) on the results of the negotiations on an Administrative Arrangement for their cooperation which started in April 2009;

46. Reaffirms that one of the prerequisites for an autonomous and credible CSDP is the establishment of a more competitive and efficient European defence and

security market open to public procurement, with an enhanced European Defence Technological and Industrial Base (EDTIB) that takes into account key industrial capabilities, security of supply between countries, a deepening and diversifying supplier base and increased armaments cooperation;

47. Points out that it is essential, for the defence market, for the following directives to be transposed into national law by all Member States:

— (by 30 June 2011) Directive 2009/43/EC on transfer of defence-related products within the Community, and

— (by 31 August 2011) Directive 2009/81/EC on procedures for the award of contracts in the fields of defence and security;

— recommends that Member States comply strictly with the deadlines, under the Commission's supervision, and that they draw up the necessary implementing regulations and train the relevant staff to enforce the new rules; calls upon Member States to take the respective Guidance Notes issued by the Commission into account;

48. Recommends that the implementation of the Common Position defining unified rules on the control of technology and military exports adopted on 8 December 2008 be urgently reviewed, in order to ensure strict and consistent compliance by all national authorities involved in each Member State;

49. Urges Member States to abide by the EDA's Code of Conduct on defence procurement and its Code of Conduct on offsets, so as to prevent violations of internal market rules and reduce opportunities for corruption;

50. Underlines that, in order to foster the emerging European security and defence market, a remedy needs to be found for the vacuum in terms of regulations and standards, since this situation limits market opportunities for both large players and SMEs and prevents interoperability among security systems; fully supports the work of the EDA in the framework of the new legal basis provided by the Lisbon Treaty; advocates close collaboration between the EDA and the Commission to create a European defence market; calls for the Commission to launch, in cooperation with the EDA, a first reflection on an European industrial policy in the field of security and defence;

51. Urges the participating Member States to regard their participation in the EDA as a permanent commitment and to provide the Agency with the necessary human and economic resources; calls for the expenditure earmarked for operational projects and studies (which has hitherto accounted – on average – for about 25 % of the budget) to be raised in the unwelcome event that vetoes on budget increases were to continue for a lengthy period;

52. Calls on the EDA's participating Member States to add to the work and initiatives to be presented by the VP/HR in her capacity as head of the Agency and urges the VP/HR to establish working methods improving the capacity of the participating Member States to take responsibility as decision-makers, and consistent with the intergovernmental nature of the Agency and the provisions of the Treaty, the idea being to build a political consensus;

53. Considers that the adoption of EU regulatory measures, including a comprehensive normative system for the establishment, registration, licensing, monitoring and reporting on violations of applicable law by private military and security (PMS) companies - both at internal and external level –, is necessary;

54. Calls therefore on the Commission and the Council to initiate appropriate actions:

— for the internal level, the drafting of a Recommendation paving the way for a Directive aimed at harmonising national measures regulating PMSC services, including service providers and the procurement of services;

— for the external level, the drafting of a Code of Conduct paving the way for a Decision regulating the export of PMSC services to third states to the extent not covered by the above-mentioned Directive;

External and internal security

55. Considers that the internal and external aspects of EU security should be treated as complementary dimensions of the same strategy, as the European Council has made clear since its meetings in Tampere (1999), Feira (2000) and Stockholm (2010), when it adopted the European freedom, security, and justice area objectives for the period 2010-2014; stresses that under no circumstances are core values and norms such as human rights, fundamental rights and freedoms and humanitarian law negotiable in the context of the fight against international terrorism and that one of the conclusions of the European Parliament's Temporary Committee on the alleged use of European countries by the CIA for the transportation and illegal detention of prisoners is that national and EU anti-terrorism policies and measures need more parliamentary oversight;

56. Considers that it has become increasingly clear in modern times, and especially since September 11, that many transnational threats such as terrorism, proliferation of weapons of mass destruction, organised crime, cybercrime, drugs and trafficking in human beings cannot be addressed without coordinated action involving 'external' security policies and 'internal' legislative and political measures and tools, as already highlighted in the first European Union Anti-Terrorism Action Plan (2001) and the European Union Counter-Terrorism Strategy (2005); recalls that the 2008 Council implementation report on the European Security Strategy points out that State failure affects European security, as the Somalia case illustrates;

57. Acknowledges that the connections between external and internal security policies have become more and more apparent in the Member States and notably in third countries such as the US, where the Department of Homeland Security, established in 2003 by the merger of 22 federal agencies, now employs more than 200 000 officials and has an annual budget of more than USD 40 billion; considers it to be no surprise that the main missions of the DHS are to some extent the same as those which the European Union has

linked to the creation of the area of freedom, security, and justice (protection of external borders, migration, anti-terrorism);

58. Welcomes the fact that key provisions of the Lisbon Treaty reflect the adaptation to the abovementioned context and the need to exploit the synergies between external and internal security, including the following:

— expansion of the CSDP to include wider Petersberg-type missions that could contribute to counterterrorism, not least through support to help third countries fight terrorism on their territory; recommends that these provisions be interpreted in sweeping terms in line with the relevant UN resolutions and with full respect for human rights and fundamental freedoms; recalls, however, that a military response it is not by itself enough to defeat international terrorism and calls for sustained international efforts to identify and deal with legitimate grievances behind the phenomenon, enhancing, at the same time, dialogue and broadening understanding among civilisations;

— solidarity clause: agrees that this mechanism must be made operative and welcomes the fact that the Commission and the VP/HR have pledged to submit a cross-cutting proposal in 2011 in order to provide the basis for the EU's collective commitment to put the solidarity clause into practice;

59. Considers that the European Security Strategy (2003) and the Internal Security Strategy (2010) coherently identify a number of common areas – such as terrorism, organised crime and cybersecurity – which have implications in both security dimensions; agrees, therefore, that the way of bringing together the internal and external dimensions needs to be improved, an idea which has been developed by the Commission in its Communication entitled 'The EU Internal Security Strategy in Action: Five steps towards a more secure Europe'(COM(2010)0673);

60. Considers that the complementarity of external and internal security objectives is mirrored by the fact that:

— the PSC and the COSI (the Internal Security Committee, established by the TFEU), as well as SITCEN, the Commission and security-related agencies such as EUROPOL, EUROJUST and FRONTEX will work together and submit a common threat assessment to the EU institutions; — a security information model will be developed by connecting the Schengen Information System to all the other relevant Europe-wide networks such as the VIS and Eurodac, using the experience and best practice from other countries; stresses that the risks to privacy and the ethical implications of this need to be taken into account;

— the tracking of terrorism financing has been provided for by the EU-US TFTP agreement and by all the legislative measures imposing the traceability of suspect transactions;

— the definition of the European critical infrastructures takes into account the impact of man-made actions such as terrorist attacks and cyber attacks;

61. Is of the view that all the initiatives listed above could therefore be launched only with a sound legal basis and legislative measures which can be adopted under the ordinary internal EU competence, for which a qualified majority in the Council is the rule and which also involves codecision in Parliament and, last but not least, judicial review by the Court of Justice;

62. Is of the view that logic will then imply that, when the same threat requires the activation of external and internal security measures, the EU should give priority to the more efficient – and legally sound – measures available, the latter being those arising from internal competence; considers that Parliament's role should also be decisive as regards the related specific CFSP strategies and measures;

63. Reminds the Council and the VP/HR that they are obliged to keep Parliament informed about the state of external relations and in particular relations with third countries and international organisations with which international agreements are being negotiated or have been concluded in the EU's interest; reminds the Council that, where they do not relate exclusively to the CFSP, agreements on the exchange of confidential information with third countries and international organisations must be negotiated and concluded in such a way as to enable Parliament to be informed and involved in accordance with Article 218(6) TFEU; bearing that point in mind, reserves the right to determine whether the Agreement between the Member States of the European Union, meeting within the Council, regarding the protection of classified information exchanged in the interests of the European Union does not interfere with the exercise of the prerogatives conferred on it by the Treaty;

Security through operations

64. Welcomes the fact that since 2003 the EU has undertaken numerous operations (24) in three continents involving different types of intervention, the bulk being accounted for by civilian missions specialising in policing, security sector reform (SSR) and consolidation of the rule of law; notes that out of 24 CSDP missions so far 16 have been of a civilian nature;

65. Notes that this trend is confirmed by the features of the 13 missions currently under way and that, above and beyond this classification, missions are increasingly being required to assume a 'multifunctional' character, as in the case of EULEX Kosovo, which combines several functions (police, customs and judicial systems) with training, monitoring and assistance functions as well as executive tasks, or the more recent EUTM Somalia mission, based in Uganda and intended to provide military training to security forces of the Transitional Federal Government, which is an example of the increased emphasis on SSR-related tasks in military crisis management;

66. Welcomes the ongoing revision of the existing civilian CSDP concepts; notes in particular that the rule of law will be seen as a central concept for civilian missions covering police, justice, civilian administration, customs, border monitoring and other relevant areas of use to planners and experts on the

ground in setting up and conducting missions with strengthening and/or substitution (executive) tasks; endorses the work being done to develop the concept of CSDP justice missions, while observing that needless overlapping with possible Community programmes has to be avoided; calls, in this light, for urgent detailed information to be provided by the HR/VP to the European Parliament on the hiring of private security and military companies (PMSCs) in CSDP and CFSP missions, specifying professional requirements and corporate standards demanded from contractors, applicable regulations and legal responsibilities and obligations, monitoring mechanisms, effectiveness evaluation and costs involved; 67. Recognises also that the Lisbon Treaty has provided for an extension of the Petersberg-type missions, de facto already under way in the years preceding the entry into force of the Treaty, and has thus brought about innovation and provided a stronger political and legal framework consistent with reality;

68. Urges that the experience acquired be turned to account in order to give new impetus to missions (the EUTM Somalia mission is the only new intervention to have been undertaken in the last two years), since missions are the acid test of the CSDP mandate and an important touchstone of the EU's credibility as an international player;

69. Points out that clear-cut progress is needed urgently as regards technical, legal, operational, and above all political and strategic aspects; maintains in particular that every mission should be encompassed within a clear (medium- and long-term) political strategy and underlines that missions are not undertaken as a substitute for policy; considers such linkage to be essential in order to ensure the operational success of interventions and, more generally, break the vicious circle in which the CSDP, rather than being a tool of the CFSP, is tending to replace it, with all the inconsistencies which that entails;

70. Notes with concern that linkage to a clear political strategy has to date been lacking and in most cases is still not being provided, a shortcoming which adversely affects the effectiveness and efficiency of missions, for example:

— EUPOL Afghanistan is having only a targeted impact concentrating only on high-level officials, and was only recently embedded in the EU AFPAK action plan;

— EULEX Kosovo, the most important civilian mission of the EU, encountered many obstacles, mainly due to the lack of supporting legislation and staff constraints; however, it plays an important role in the field of the rule of law and continues to provide stability in the region;

— EUBAM Rafah and EUPOL COPPS, which is widely recognised and accepted as the key international expert interlocutor on policing issues in the Palestinian territories, have not been in a position to significantly affect developments in the conflict, because they are not based on any clearcut political and diplomatic strategy, which, however, needs to be sought in order to pave the way for a renewed commitment in the Palestinian territories;

— EUFOR Althea in Bosnia-Herzegovina (launched in 2004 under the Berlin Plus arrangements) may have achieved its main aims, and a political assessment should therefore be made with a view to determining whether the mission should be considered completed and the substantial financial and human resources (more than 1 400 people) recovered;

— the EU has successfully taken the lead in international efforts to fight piracy through EUNAVFOR Somalia (operation Atalanta) but the issue of judicial treatment of pirates needs to be urgently solved, notably based on the Lang report recently submitted to the UN Security Council; operation Atalanta is being hampered by the lack of implementation of a clear regional strategy to tackle the root causes of piracy and deal effectively with the chronic instability in the Horn of Africa; actions enhancing regional maritime surveillance capabilities should be taken urgently;

— EUTM may prove counterproductive by enhancing the military capabilities of possible recruits to militias in Somalia;

— EUPOL RD Congo and EUSEC RD Congo have been in the country since 2007 and 2005 respectively but have only had limited positive effects on target groups if any; recommends a stronger focus on the issue of sexual violence in order to increase the effectiveness of both missions;

71. Welcomes the decision of the Council to conduct the operation EUFOR Libya in support of humanitarian assistance operations if requested by UN OCHA; appeals to the Council to provide immediate humanitarian support to Misrata and other population centres, specifically by naval means; is profoundly concerned about the increasing number of victims of the conflict in Libya and the Gaddafi regime's reported use of cluster munitions and other arms against the civilian population; deeply regrets that the mandate of EUFOR was limited to humanitarian aspects when there was a clear case for the EU to take the lead in maritime surveillance (embargo enforcement and assistance to Frontex) and in humanitarian assistance and protection of civilians in Libya; recalls in this regard its resolution of 10 March 2011 calling on the HR/VP to explore the option of enforcing the embargo by using air and naval CSDP assets; regrets the decision of some Member States to veto a broader mandate for EUFOR Libya while at the same time conducting such operations on their own; calls for a start to be made on planning a potential CSDP operation in the medium to long term in Libya in the areas of security sector reform, institution-building and border management;

72. Calls for closer coordination on the ground, in which the Heads of Delegation (now EEAS officials and no longer Commission officials) and the EUSRs will have a crucial role to play; considers that such coordination should apply at several levels, in particular:

— between missions operating in the same theatre, so as to avoid inconsistencies and overlapping of forces of the kind that occurred in the past, for example, in Bosnia-Herzegovina because of the divergences in the mandates of EUFOR Althea and the EUPM mission to combat organised crime;

— between CSDP and other EU actors and instruments, especially in Palestine and in the African missions;

— between development cooperation projects and CSDP missions as a part of CFSP;

— between the EU and other international players operating in the same area, so as to make for the best possible cooperation from the strategic point of view (for instance as regards the training of Afghan security forces, the activities being split between the EU, the United States and NATO) and in operational terms (with particular reference to agreements to regularise freedom of action on the ground, in order to allow the exchange of classified information, or concerning the protection of European personnel by NATO troops);

73. Recommends that the ATHENA mechanism be reformed with a view to rationalising and increasing the proportion of common costs (at present estimated to be about 10 %) so as to make for fairer burden- sharing in military operations, in which the participants in a mission, who already bear a heavy responsibility in terms of risks and costs, are obliged in the current situation to undertake a further economic responsibility;

74. Welcomes the outcome achieved under the Madrid accords on the establishment of the EEAS, which has enabled three specific budget headings to be provided for the main CSDP missions (EULEX Kosovo, EUPOL Afghanistan and EUMM Georgia) with a view to increasing transparency and improving parliamentary scrutiny of expenditure; stresses the need to allocate one budget line for each CSDP mission; declares its willingness to cooperate with the new permanent Chair of the of the PSC in order to improve, and enhance the effectiveness of, the joint consultation meetings on the CFSP, in keeping with the HR's statement on political accountability agreed in Madrid; declares its interest in learning from the US Congress and other national parliaments when it comes to procedures and methods for scrutinising security and defence policies;

75. Calls for the establishment, as provided for in the Lisbon Treaty, of the start-up fund for preparatory activities in the lead-up to military operations to speed up the disbursement of funds, and for this measure to be covered by the ATHENA mechanism review proposal;

76. Recommends that steps be taken to remedy the difficulty of finding professionals for civilian missions (as in the case of the EULEX Kosovo and EUPOL Afghanistan missions), which have proved to be the most frequent form of intervention, and that the necessary provision be made for rapid deployment and sustainability;

77. Recommends, as regards gender mainstreaming in line with UNSCR 1325 and to make civilian and military missions more effective, that female personnel be involved in the appropriate manner at every level of crisis management; emphasises the need for women to be included in senior-level decision-making positions, regular consultations with civil society, including

women's organisations, and that capacity to work on gender issues within missions be enhanced; calls for the establishment of adequate public complaint procedures in the context of CSDP missions, which would particularly assist the reporting of sexual and gender-based violence; calls on the VP/HR to include a detailed report on women, peace and security in the six-monthly evaluation of CSDP missions; stresses that it is important that the EU should appoint more female police officers and soldiers to CSDP missions, in which connection the contingent of female police officers within the UN peace-keeping force in Liberia could be used as a model;

78. Calls on the VP/HR to take the steps required to optimise the potential use of European resources and capabilities for civilian missions and notes with concern that high costs are being incurred for the security of the EUJUST LEX Iraq and EUPOL Afghanistan missions, the measures in question having been entrusted to private security companies;

79. Endorses the need for more robust procedures, officially established at institutional level, to enable assessment – on a regular basis and based on common criteria – of the conduct of missions on the ground; believes that this would enable the experience acquired to be turned to account from a political, strategic, technical, legal and operational point of view, and in the long term could provide a starting point for improving interventions under way and for criteria to be applied to emerging crises so as to make for the best possible balance between strategic interests and available resources;

Security in partnership

80. Maintains that the trend towards multipolarity in the international system and the establishment of strategic partnerships must be encompassed within an active commitment to promoting multilateralism, given that this is the dimension most consistent with respect for the universal rule of law, the specific nature of the EU and the growing interdependence which characterises globalisation;

81. Reiterates that the EU fully respects the provisions and principles of the United Nations Charter and recognises that the primary responsibility for the maintenance of international peace and security in the world lies with the UN Security Council;

82. Notes that the Lisbon Treaty imposes an obligation on the EU to promote multilateral solutions, in particular within the UN, and that EU international action must be based on the principles of the UN Charter; international law and EU principles and values;

83. Acknowledges that, from a legal point of view, the Lisbon Treaty has overcome the previous dichotomy between Union and Community policies by conferring a unique legal personality and by strengthening the autonomy of the EU legal order vis-à-vis international law, even when international security is at stake, as already stated by the Court of Justice case law in the

Kadi case (according to which 'international law can permeate the EU legal order only under the conditions set by the constitutional principles of the Community');

84. Calls on those Member States which have seats on the UN Security Council to defend common positions and interests of the EU and to work towards a reform of the UN whereby the EU as such could have its own permanent seat;

85. Stresses the need to strengthen the cooperation between the EU and UN in the area of crisis management, notably during the early stages of a crisis and post-conflict reconstruction, in close connection with the appropriate structures of the newly established EEAS;

86. Calls on the Member States to take the necessary steps in order to streamline the EU's effective participation in the meetings of the UN General Assembly;

87. Recognises that NATO constitutes the foundation of collective defence for those Member States which belong to it and reaches beyond its Member States; recalls the need for constructive cooperation between the EU and NATO, particularly where the two organisations are active in the same theatres of operations; looks forward to the proposals of the High Representative as tasked by the European Council conclusions of September 2010 referring to EU-NATO cooperation in crisis management;

88. Welcomes the agreement in NATO's new strategic concept on further strengthening the EU-NATO strategic partnership; reaffirms that most of the threats identified in the new strategic concept are also shared by the EU and stresses the importance of enhancing EU-NATO cooperation in crisis management in the spirit of mutual reinforcement and with respect for their decision-making autonomy; draws attention to the necessity of avoiding unnecessary overlapping of effort and resources and invites the EU and NATO to deepen their cooperation, through their respective means, in the context of a comprehensive approach to crises in which both are engaged in the field; urges NATO to strictly limit the development of a civilian capability in order to avoid duplication;

89. Points to the fundamental importance of the African continent for the EU's security and for peacekeeping and conflict prevention; supports close cooperation between the EU and the African Union within the Peace and Security Partnership in conjunction with the Africa-EU Joint Strategy; favours greater involvement and responsibility of the African Union, especially where crisis management is concerned, and reaffirms the need for the Commission and the Member States to play their part by taking practical measures to combat trafficking in, and the spread of, light weapons and small arms; endorses the pledge in the Tripoli Declaration to make the African peace and security architecture fully operational;

90. Recommends in particular that African early warning and conflict prevention capabilities be developed, that the 'panel of the wise' be placed in a more effective position to mediate, and that ways be studied of giving effect to the

recommendations in the Prodi report on the financing of African peacekeeping operations; urges that relations be pursued on a collaborative basis and that the capabilities of African sub-regional organisations be enhanced;

91. Recalls that, in addition to partnerships with other international organisations such as the UN, NATO and the AU, cooperation with individual third countries should be enhanced in the context of the CSDP; notes that experience shows that third countries can bring important assets, human resources and expertise to CSDP missions, such as in the context of EUFOR Chad/CAR, for which Russia provided much-needed helicopters, and EUFOR Althea, to which countries like Turkey and Morocco contributed substantial contingents of troops; believes, furthermore, that the involvement of third countries can enhance the legitimacy of CSDP operations and help set up a broader security dialogue with important partners while remaining committed to promoting respect for human rights and the rule of law;

92. Considers that such a dialogue should address respective threat assessment, involve (where relevant) the participation of third countries in EU exercises and training activities and lead to closer mutual engagement across the board; believes that procedural obstacles should be tackled in order to facilitate cooperation with third countries and avoid the delays that negotiating each specific contribution may entail; takes the view that framework agreements and standard procedures could be established, to this end, with some third countries to facilitate their contribution;

93. Underlines the importance of cooperation on CSDP with the EU's neighbours, which should be regionally balanced and provide a broad range of opportunities that would catalyse security sector reforms in the partner states and would not only help generate civilian and military capabilities to enable the EU's Eastern and Southern partners to participate in CSDP missions but also give it stronger support in managing regional security;

*

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94. Instructs its President to forward this resolution to the European Council, the Vice-President/High Representative, the Council, the Commission, the parliaments of the Member States, the NATO Parliamentary Assembly and the Secretaries-General of the United Nations and NATO.

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INSTRUCTIONS FOR ASSOCIATES

The Review of International Affairs is a quarterly published in January, April, July and October every year.

The periodical publishes evaluated articles and conference and book reviews in the field of international relations, foreign policy, international public law and international economics.

In writing all contributions for *The Review of International Affairs* authors are kindly asked to respect the following rules.

Instructions for Writing Articles

1. Author contributions (articles) should not be longer than 10 single-spaced pages (single) in *Word* format (up to 28000 characters with spaces).

2. Articles should be written in *Times New Roman* font, font size 12, with page numbers on the right side of the bottom of the page.

3. The title of the article should be written in capital letters, *in Bold*, font size 14. The title is separated from the text with – *spacing before 18 pt*. Below the title is given the author's forename, middle name and surname (including his title, possibly), the name of the institutions he works for as well as its seat. These data are given in *Italic*.

   Example:
   Prof. Dragana Marko Mitrović, Ph.D., Faculty of Political Science, Belgrade

4. If the author has a wish to point to his readers that some of the views presented in the article express his own opinion and not the one of the institution he works for it is necessary to insert at the end of the title a special footnote with the symbol * for this remark.

5. The *Abstract* should contain not more than 100 words, presenting the most significant hypotheses the work is based upon. Below the *Abstract* the author puts up to 12 *Key Words*. Both the *Abstract* and *Key Words* are given below the title of the article and they should be separated from the rest of the text by applying the option *Paragraph-Indentation*.

6. The *Summary* written in the language of the paper (e.g. Serbian) should be placed after the text. The author should give a concise contents of the paper and the most significant hypthesis his work is based upon.

7. The basic text and footnotes should be justified by applying the option *justify*, while titles should be centred by applying the option *center*.

8. Subtitles are written in *Bold*, while sub-subtitles are in *Italic*; in both cases the font size is 12.

9. The first line in every paragraph should by no means be indented by applying tabulator – option *tab*.

10. Latin, Old Greek and other non-English words and terms in the text should be written in *Italic* (e.g. *status quo, a priori*, *de facto*, *acquis communautaire*, etc.). The text should contain full names and not initials.

11. Only the following form of quotation marks should be put in the text – " and ". In case the additional quotation marks are to be put within these ones it should be done in the following way: "Establishing a Serbian Orthodox Monastic Community in Kosovo, as an integral part of comprehensive 'final status' settlement".

12. Footnotes should be written on the bottom of the page (option *Footnote*), and their marks are solely to be put at the end of the sentence.

The details on the quoted bibliographic unit in footnotes should be given in conformity with the following suggestions:

a) *Monographs*

The author's full forename and surname, the title of the monograph (*in Italic*), publisher, place of publishing, year of publishing, p. if one page of the quotation in English is cited, pp. if several pages are quoted. In case several pages are quoted En Dash is applied with no space before and after the numbers (for example 22–50).

When the proceedings in English are quoted and they were edited by more than one editor, then there should be put (eds) in brackets with no full stop after the names of the editors. If there is only one editor then (ed.) is put, including a full stop inside the brackets.

Examples:

John Gillingham, *European Integration 1950–2003*, Cambridge University Press, Cambridge, 2003, p. 221.

Duško Lopandić (ed.), *Regional initiatives in Southeast Europe: multilateral cooperation programs in the Balkans*, Institute of International Politics and Economics, Belgrade, 2001, pp. 24–32.

Theodor Winkler, Brana Marković, Predrag Simić & Ognjen Pribićević (eds), *European Integration and the Balkans*, Center for South Eastern European Studies, Belgrade & Geneva Centre for the Democratic Control of the Armed Forces, Geneve, 2002, pp. 234–7.

b) *Articles in Scientific Journals*

The author's full forename and surname, the title of the paper (with quotation marks), the title of the journal (*in Italic*), the number of the volume, the number of the publication, pp. from–to. The numbers of pages are separated by En Dash (–), with no space. If some data are incomplete it should be clearly stated.

Examples:

Michael Levi, "The Organisation of Serious Crimes", in: Mike Maguire, Rod Morgan & Robert Reiner (eds), *The Oxford Handbook of Criminology*, Oxford University Press, Oxford, 2003, pp. 878–84. (pp. 878–9 or p. 878).

Robert J. Bunker & John. R. Sullivan, "Cartel Evolution: Potentials and Consequences", *Transnational Organized Crime*, vol. 4, no. 2, Summer 1998, pp. 55–76.

c) *Articles in Daily Newspapers and Journals*

There should be given the author's name (or his initials, if they are the only ones given), the title of the article – with quotation marks, the title of the newspapers or the journal (*in Italic*), date – in Arabic numerals, the number of the page/pages.

Example:

John Gapper, "Investor votes should count", *The Financial Times*, 17 April 2006, p. 9.

d) *Document quotation*

There should be given the title of the document (with quotation marks), the article, item or paragraph the author refers to, the title of the journal or official gazette containing the document (in *Italic*, the number of the volume, the number of the publication, the place of publishing and year of publishing.

Example:

"Resolution 1244 (1999)", Security Council of the United Nations, 10 June 1999.

e) *Quotation of sources from the Internet*

It should contain the author's name, the title of the contribution or article, a full Internet Website that enables to access the source of quotation by typing the mentioned site, the date of accession to the Web page, page number (if there is one and if presented in PDF format).

Example:

Maureen Lewis, *Who is Paying for Health Care in Eastern Europe and Central Asia?*, IBRD & World Bank, Washington D.C, 2000, Internet, http://Inweb18.worldbank.org/eca/eca.nsf/Attachments/Who+is+Paying+for+Health+Care+in+Eastern+Europe+and+Central+Asia/$File/Who+is+Paying+text.pdf, 14/09/2004, p. 3.

f) *Repeating of the previously quoted sources*

Ibid. or ibidem is applied only if quoting the previous source in the text, with the page number, and in case the new quotation belongs to the same source (e.g. ibid., p. 11)

Loc. cit. or op. cit. is applied with no page number and only for the previously mentioned source of quotation with the same page number as the previously quoted source.

13. The article may contain tables or some other supplements (such as maps, graphs, and the like). It is necessary to give their number and full title (e.g. *Table 1: Human Development Index among EU members* or *Figure 2: State-Building or Sovereignty Strategy*. If the supplement is taken over from the contribution of some other author or a document its source should necessarily be given.

Instructions for Writing Book and Conference Reviews

1. Conference and book reviews should not be longer than two and a half pages in *Word* format (line spacing *singe*), or they should actually contain no more than 7500 characters with spaces.

2. The bibliographic details should be given at the beginning of the review in accordance with the rules prescribed for monographs in footnotes, and with the total number of pages given at the end (e.g. p. 345).

3. Book and conference reviews must not contain footnotes, while all possible remarks should be put in brackets.

4. The author may also write subtitles of the book or conference review in capital letters – font size 14, although this is subject to changes on the part of the editorial staff.

5. Font size, font and justification of the text should be in conformity with the previously mentioned suggestions on writing of articles.

6. The name of the author of the review is given at the end; it should be in *Italic*, while the whole surname should be written in capital letters (e.g. *Žaklina NOVIČIĆ*).

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Published quarterly

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A scholarly journal for European Union law
Published quarterly in Serbian

BOOKS:

Energy Security of Europe: The Position of Serbia, Procedings, Miroslav Antevski and Dobrica Vesić (eds.), broširano, 2013, 496 str.

Brano Miljuš, *Istraživanje političkog tržišta,* broširano, 2012, 320 str.

Dragan Petrović, *Geopolitika Sredozemlja*, tvrd povez, 2012, 228 str.

Spoljna politika Srbije i zajednička spoljna bezbednosna politika EU, zbornik radova, priređivači Dragan Đukanović i Miloš Jončić, broširano, 2012, 580 str.

Duško Dimitrijević, *Državne granice nakon sukcesije SFR Jugoslavije*, tvrd povez, 2012, 484 str.

Danube Strategy – Strategic Significance for Serbia, Procedings, Nevenka Jeftić Šarčević, Edita Stojić Karanović(eds.), broširano, 2012, 352 str.

Western Balkans: From Integration to Stabilisation, Procedings, priređivači, Miroslav Antevski i Dragana Mitrović, broširano, 2012, 404 str. *Western Balkans: From Integration to Stabilisation*, Procedings, Miroslav Antevski i Dragana Mitrović (eds.), broširano, 2012, 404 str.

Meaning of Borders and Border Issues in the Age of Globalization: Europe and Asia, Procedings, Duško Dimitrijević, Dragana Mitrović i Ivona Lađevac (eds.), broširano, 2012, 160 str.

Harmonizacija zakonodavstva Srbije sa pravom Evropske unije (II), zbornik radova, priređivači Duško Dimitrijević i Brano Miljuš, tvrdi povez, 2012, 886 str.

Stubovi spoljne politike – Srbija, EU, SAD i Kina, Dragan Petrović i Dragan Đukanović, tvrd povez, 2012, 240 str.

Milovan Radaković, *Komponente nacionalnog i evropskog identiteta*, tvrd povez, 2012, 280 str.

Uloga civilnog društva u promociji potencijala Podunavlja u svetlu izrade Strategije EU za Dunavski region, zbornik radova, priređivači Edita Stojić Karanović i Nevenka Jeftić Šarčević, broširano, 2012, 212 str.

Srbija i međunarodne organizacije, zbornik radova, priređivači Dragan Đukanović i Ivona Lađevac, broširano, 2011, 572 str.

Japan and Serbia: Regional Cooperation and Border Issues: a Comparative Analysis, Procedings, Duško Dimitrijević and Ivona Lađevac (eds.), broširano, 2011. 192 str.

Edita Stojić-Karanović i Dragan Petrović, *Dunavska strategija,* broširano, 2011, 272 str.

Development Potentials of Foreign Direct Investment: International Experiences, Procedings, Miroslav Antevski editor, broširano, 2011, 404 str.

Stevan Đorđević, Duško Dimitrijević, *Pravo međunarodnih ugovora*, tvrdi povez, 2011, 688 str.

Brano Miljuš, Dragan Đukanović, *Dobrosusedski odnosi,* broširano, 2011, 284 str.

Dragan Petrović, *Francusko-srpski odnosi 1800 – 2010,* tvrd povez, 2011, 372 str.

Pero B. Petrović, *Kapitalna ulaganja i projektno finansiranje,* broširano, 2011, 240 str.

Hasiba Hrustić, *Poreska harmonizacija u Evropskoj uniji,* broširano, 2011, 248 str.