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## **Threats to Sovereignty: The Case of Macedonia in the 1990's**

Adrienne Rubeli

This paper will examine the complexity of Macedonian society, showing that its unique situation is a result of historical factors, as well as external and internal influences. The fledgling democratic nation maintains peace and stability in one of the world's most volatile regions despite past and present challenges to its sovereignty. This paper will undertake a contemporary examination of Macedonia and its transition in the 1990's from a republic of Yugoslavia to a sovereign nation. After holding free, multi-party elections in January 1991, Macedonia is beginning its tenth year of independence and democracy.

Among the external factors to be analyzed are Macedonia's relations with its neighbors as well as its position in the wider international community. Looking at its ambiguous history will allow a better understanding of the current situation and geopolitical issues facing Macedonia. Also important is the issue of Kosovo. Did the threat of this province's destabilization extend to Macedonia? To understand this question, it is important to look specifically at the events of 1999 and Operation Allied Force. I will draw on the framework of Sun Tzu to present the threat posed to Macedonia and

analyze the foreign policy decisions taken by the government in response to the influx of refugees.

Macedonia, despite a decade of regional turmoil, external shocks, and domestic cleavages continues to demonstrate resilience and to move forward politically, economically and socially. Macedonia was sacrificed to political expediency during the European Community's attempt at joint foreign policy when Yugoslavia disintegrated; cohesiveness of the Community took precedence over even-handed decision making. Economic isolation from Greece in the early 1990s, the consequences of Albania's financial collapse in 1997 and the war in Kosovo in 1999 have consistently assaulted the progress and development of the country. And yet, Macedonia manages to stay the course of peace and democracy.

The international community has a stake in Macedonia's prosperity. It is the center of crucial crossroads in Southeast Europe in terms of geography, economic trade links, and because of its diverse nationalities and religions. This paper will elucidate Macedonia's vulnerability and resilience and examine how two seemingly incongruent notions have allowed the country to withstand threats to its sovereignty.

### *A Brief History of the Country*

The Former Yugoslav Republic of Macedonia has a population of approximately 2.1 million. The ethnic composition is sixty-five percent Macedonian, twenty-two percent Albanian, and the remaining thirteen percent is divided among Turks, Serbs, Roma, and Vlachs. The religious composition is sixty-seven percent Eastern Orthodox Christian and thirty percent Muslim. This diversity represents the history of the land and influences in the region. Entering its tenth year of independence, Macedonia remains one of Europe's most fragile and imperiled democracies. This former Yugoslav republic is surrounded by four countries in which powerful political forces, at best, prefer that it remain weak and vulnerable and, at worst, seek its dissolution.<sup>1</sup>

After the first World War, during which Macedonia was occupied by the Bulgarians and the Central Powers, Vardar Macedonia, the area now known as the Former Yugoslav Republic of Macedonia, became part of the new Kingdom of Serbs, Croats, and Slovenes (formally named Yugoslavia in 1929). The Bulgarian occupation during the Second World War led Josip Broz (Tito) to promote a distinct Macedonian identity and a language separate from both Bulgarian and Serbian. "In Yugoslav Macedonia the new authorities quickly set about consolidating their position. The new nation needed

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<sup>1</sup> Marshall Freeman Harris, "Macedonia: The Next Domino?" *The National Interest* (Spring 1999), 42.

a written language and initially the spoken dialect of northern Macedonia was chosen as the basis for the Macedonian language, but this was deemed too close to Serbian. The dialects of Bitola-Veles became the norm.”<sup>2</sup> On July 18, 1967, the Orthodox Church in Macedonia declared itself independent, a move widely criticized by the Serbian Orthodox Church. Surrounded by countries that denied its legitimacy, such a declaration encouraged Macedonia’s ambivalence towards the Yugoslav federation. The country declared its independence from Yugoslavia in January 1991 with the election of Kiro Gligorov as Macedonia’s first President on January 27, 1991. Macedonia’s parliament declared full independence on November 21, 1991. Despite these assertions, tensions with regional neighbors continue to this day.<sup>3</sup>

This small Balkan nation has faced many challenges to its stability regardless of its pro-democratic stance and positive steps undertaken by the country to secure a position in the international community. The complete withdrawal of Yugoslav federal troops from Macedonia in March 1992, in conjunction with the adoption in April of a new Constitution in the Federal Republic of Yugoslavia, referring only to Serbia and Montenegro, effectively signaled Yugoslav acceptance of Macedonia’s secession from the federation. With this recognition, however, also came the withdrawal of resources and capital. Milosevic’s regime expropriated all of the Yugoslav army’s weaponry and other equipment in Macedonia, as well as a number of other economic and financial assets.<sup>4</sup> The Macedonian Territorial Defense forces assumed control of the entire republic’s borders by mid-March and the Yugoslav Army (JNA) completed its withdrawal from Macedonia ahead of schedule, by March 26, 1992.<sup>5</sup>

### *The Breakup of Yugoslavia*

Macedonia is the only former republic of Yugoslavia to achieve independence without violence. Unlike the other republics of Slovenia, Croatia, and Bosnia-Herzegovina, and more recently the attempt by the Kosovo Liberation Army (KLA) to achieve independence for Kosovo through violence, Macedonia was able to negotiate its withdrawal

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<sup>2</sup> Poulton, Hugh, *The Balkans - Minorities and States in Conflict*, (UK: Minority Rights Publications, 1994), 49.

<sup>3</sup> Richard Holbrooke, *To End a War* (New York: Random House, 1998), 125. "Once Tito’s Finance Minister, Gligorov had almost literally invented his country in late 1991 and early 1992."

<sup>4</sup> Marshall Freeman Harris, "Macedonia: The Next Domino?" *The National Interest* (Spring 1999), 43.

<sup>5</sup> Ramet, Sabrina and Ljubisa Adamovich, eds., *Beyond Yugoslavia* (Boulder: Westview Press, 1995), 217.

from the tyranny of Milosevic. It is interesting that in the final months of the old Yugoslavia, Gligorov was in fact working to preserve the integrity of the collective nation in a new structure. "Together with President Gligorov of Macedonia, Izetbegovic argued passionately during the political negotiations of 1990 for a gradual transformation of Yugoslavia into a confederal union. The Gligorov-Izetbegovic plan was the only solution to the Yugoslav crisis which might have ended peacefully."<sup>6</sup> Smaller and weaker than their Slovenian and Croatian counterparts, Bosnia and Macedonia were arguably more vulnerable to outside interference and less prepared to defend their respective territory; reaching a compromise settlement would have provided these republics with a measure of stability.

Also, the course of history could have taken a much different road if the European Council of Ministers had taken decisions in a more uniform fashion. "The German Government's public intention to recognize Slovenia and Croatia unconditionally undermined the mechanism agreed on by the European Council of Ministers to grant recognition only to those republics who fulfilled certain criteria. This work was entrusted to the Commission headed by Robert Bandinter, the chairman of France's constitutional court, which was attached to the Hague Conference on Yugoslavia. Bandinter stated that of the republics requesting independence, only Slovenia and Macedonia had satisfied his commission. These findings were published the day before the German-led recognition of selective republics. The German decision to recognize Croatia undermined the Bandinter commission and cajoled the members of the European Community to ignore the commission's findings."<sup>7</sup>

Macedonia was not recognized despite fulfilling the criteria, which included guarantees for the protection of its minorities, human rights, and control of its territory. "Athens agreed to recognize Croatia provided Germany did not recognize Macedonia. Therefore, the German government acted not out of principle, but out of self-interest."<sup>8</sup> Such arbitrary decision making, influenced by political agendas, was not a positive start for the newly emerging democracies and not without consequence for the region. It is interesting to point out that "...by the end of 1992 Macedonia had Eastern Europe's only multi-ethnic cabinet with five Albanians, one Turk and the rest Macedonian."<sup>9</sup>

Countering challenges of expansionist aims, Macedonia passed a number of amendments to the Constitution stating unambiguously that it did not harbor any territorial

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<sup>6</sup> Glenny, Misha, *The Fall of Yugoslavia* (London, Penguin Books, 1996), 154.

<sup>7</sup> Glenny, 163-164.

<sup>8</sup> Glenny, 191.

<sup>9</sup> Stokes, Gale, *The Walls Came Tumbling Down* (NY: Oxford University Press, 1993), 252.

claims on neighboring Albania, Bulgaria, and Greece. Amendments I and II to the Constitution of the Republic of Macedonia, adopted by the Parliament in Skopje on January 6, 1992, clearly set out the following:

- I.1. The Republic of Macedonia has no territorial pretensions towards any neighboring state.
- I.2. The borders of the Republic of Macedonia can only be changed in accordance with the Constitution and on the principle of free will, as well as in accordance with generally accepted international standards.
- II.1. In the exercise of this concern the Republic of Macedonia will not interfere in the sovereign rights of other states or in their internal affairs.<sup>10</sup>

These amendments were swiftly adopted by the Macedonian Sobjranje, the unicameral republican assembly, in response to the demands of the European Community. "On December 10, 1992, the Macedonian Parliament decided to include the addition of Skopje to the name of the state, so that its official name would be 'Republic of Macedonia (Skopje),' but this too, was not enough to assure Athens."<sup>11</sup>

### *Regional Hostilities and Challenges*

Striving for acceptance in the international community was only half of Macedonia's battle; achieving recognition from and harmony with its neighbors proved equally difficult. Bulgaria, Greece and Serbia all took issue with different aspects of Macedonia's independence and undermined its fragile democracy. The presence of the international community, particularly the UN and the OSCE, was critical in light of Macedonia's tenuous relations with its neighbors.

Bulgaria recognized the state of Macedonia in January 1992, however, it did not recognize the existence of a distinct Macedonian nationality or language. On the issue of language, "Macedonian shares nearly all the same distinct characteristics which separate Bulgarian from other Slav languages - lack of cases; the post-positive definite article; the replacement of the infinitive form; and the preservation of the simple verbal forms for the past and imperfect tenses."<sup>12</sup> It is disputed whether Macedonian is distinct from the Bulgarian language or a dialect of it. "Bulgarians argue that the Macedonian identity is 'artificial' and does not really exist...for this reason, the Bulgarian atti-

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<sup>10</sup> Pettifer, James, ed., *The New Macedonian Question* (London: MacMillan Press Ltd., 1999), 32.

<sup>11</sup> Pettifer, 42.

<sup>12</sup> Poulton, Hugh, *The Balkans - Minorities and States in Conflict*, 50.

tude towards the Macedonians is that of a 'big brother' who waits patiently for his younger brother to come to his senses."<sup>13</sup>

Turkey's recognition of Macedonia sparked protests in Greece. Greece insisted that 'Macedonia' was a purely geographical term that included territory in northern Greece. As a result, the Greek government feared an "expansionist" Macedonia. Greece also contested the depiction of the 'Vergina Star' on the new flag of Macedonia adopted in August 1992, claiming it was the symbol of Philip of Macedon and Alexander the Great.

As a result of Greece's opposition, there were two distinct developments. First, Greece imposed an economic blockade on Macedonia in February 1994, "crippling its economy, which had already been hurt by its support of the sanctions against Serbia. The situation was so explosive, the United States made its only exception to the policy of not sending troops to the region, and sent 550 American soldiers on a UN peace-keeping mission in order to prevent the war from spreading."<sup>14</sup> Second, due to the name dispute, Macedonia was only admitted to the United Nations in April 1993, under the temporary name "The Former Yugoslav Republic of Macedonia," pending a final negotiation settlement. "On September 13, 1995, Greece and Macedonia signed a treaty calling for mutual recognition, the opening of commercial routes, and the exchange of liaison officers. The Macedonian government agreed to drop the disputed symbol of the Vergina Sun from its flag, to which the Greeks objected most vehemently."<sup>15</sup> The Sobranje ratified an interim accord on October 9, 1995, but it did not address the issue of a permanent name.

Macedonia has pursued ties with the international community to bolster its fledgling democracy and strengthen its position in the region. In 1995 Macedonia was admitted to the Council of Europe, the OSCE, and NATO's Partnership for Peace Program. Its separation from Serbia was marked by non-violence; this goal of remaining peaceful in the region is a guiding principal in foreign policy and critical to preserving national integrity. The 1999 conflict in Kosovo reinforced this premise and once again illustrated the need for Macedonia to be protective of its sovereignty.

As mentioned earlier, UN peacekeepers were dispatched to Macedonia. The long-term presence of the UN in Macedonia was a critical factor to the stability of the country both domestically and within the region. The United Nations Protection Force (UNPROFOR) was established by Security Council resolution 743 of February 21,

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<sup>13</sup> Carter, F.W. and H.T. Norris, eds., *The Changing Shape of the Balkans* (London: UCL Press, 1996), 144.

<sup>14</sup> Richard Holbrooke, *To End a War* (New York: Random House, 1998), 122.

<sup>15</sup> Glenny, 261.

1992, to create conditions of peace and security required for the negotiation of an overall settlement of the Yugoslav crisis.<sup>16</sup> When the UN Preventive Deployment Force (UNPREDEP) replaced UNPROFOR in March 1995, the mission essentially remained the same: to monitor developments along the former Yugoslav and Albanian borders which could undermine confidence and stability in Macedonia and threaten its territory. "By the end of 1995, UNPREDEP operated 24 permanent observation posts and 33 temporary posts along a 420-kilometer stretch on the Macedonian side of the border, with community patrols conducted daily. The European Union saw the value of UNPREDEP not only in its military component and its border monitoring, but also in its civilian efforts to promote understanding among the different ethnic groups in Macedonia."<sup>17</sup> As of February 1999, the mission totaled 1,110 uniformed personnel. During this same month China vetoed the renewal of UNPREDEP's mandate. This was a politically motivated action on China's part due to Macedonia's recognition of Taiwan and speculation about possible trade agreements between Taiwan and Macedonia. The Taiwan-Macedonian trade relationship has not been as beneficial as politicians initially promised, with investments and proposals still being discussed.

The OSCE also politically acknowledged the need to maintain stability in Macedonia. As a result of the war in the Former Yugoslavia, the OSCE established the Spillover Monitor Mission in Skopje in 1992 to help avoid the spread of tension to the former republic. At the 260<sup>th</sup> Permanent Council meeting, the mandate of the Skopje Spillover Mission was extended to June 30, 2000. "The objective of the mission is to monitor developments along the border with Serbia and other areas that may be affected by the spillover of the conflict, in order to promote respect for territorial integrity and the maintenance of peace, stability and security; and to help prevent possible conflict in the region" through communication with officials and independent reports of incidents.<sup>18</sup> The authorized strength of the mission is set at eight; however, the current complement is six. With the crisis in Kosovo in 1999, the Permanent Council temporarily increased the staffing to the full complement of eight. The OSCE budget for the Mission to Skopje in 2000 was set at Eur 598,600.<sup>19</sup>

The UN and OSCE presence were key factors in maintaining the sovereignty of Macedonia, especially in light of the security vacuum left when Yugoslavia forces withdrew. Macedonia was not solely reliant on the international community and undertook pro-active steps to assert its new independence. As referenced earlier, Macedonia de-

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<sup>16</sup> "UN Peacekeeping Operations," Available online from [www.un.org](http://www.un.org).

<sup>17</sup> Available online at [www.un.org](http://www.un.org).

<sup>18</sup> Available online at <http://www.osce.org/publications/survey/survey02.htm>

<sup>19</sup> Available online at <http://www.osce.org/publications/survey/survey02.htm>

clared its Orthodox church independent from the Serbian Orthodox Church as a way of signaling its separation from Serbia. And to forge new trade relations beyond the region, Macedonia recognized Taiwan, which could mean investment critical to the country. Macedonia's acknowledgment of its weak position and acceptance of international forces, coupled with independent actions to develop an international standing, began the process of solidifying the country's position in the region. However, the threat of instability surfaced again in 1999 with the conflict in Kosovo. The situation in Kosovo also presented the threat of shifting the region's delicate balance, particularly Macedonia's fragile balance of power with each of her neighbors. "In Macedonia there remains a serious fear that with the presence of large ethnic Albanian regions in the northwest bordering Albania and Kosovo, Vardar Macedonia might be truncated with the ensuing rump falling prey to predatory neighbors who view the very concept of a Macedonian nation as historically false."<sup>20</sup>

### *Kosovo 1999 and Operation Allied Force*

The situation in Kosovo directly affected Macedonia in a number of ways. First, the events leading up to the war in Kosovo were not limited to the territory of Kosovo. They included both violence in northern Macedonia and increased gun smuggling across Macedonian territory, which compounded an already difficult relationship between Albanians and Macedonians. According to one Macedonian official, "There is no protection from the Kosovo side of the border. It is an open border. There is the same problem with Albania with light arms smuggling because the border is not well protected from the Albanian side."

Second, once Operation Allied Force began on March 24, 1999, Macedonia faced a rapid influx of Kosovar refugees. This presented a threat to Macedonia's peace and it can also be argued that Milosevic intended to widen the conflict by disrupting the delicate balance in Macedonian society. By examining the issue of the refugee crisis within the framework of Sun Tzu, the notion of a threat to Macedonia as well as the decisions and responses by the Government of Macedonia to reduce the "threat of destabilization" are clearly illustrated. And finally, while the air campaign targeted strategic position in Serbia and of Milosevic's regime, the consequences of the destruction of Serbian infrastructure directly affected Macedonia's economic growth.

Preceding the outbreak of violence in Kosovo, relations between the Macedonian authorities and the ethnic Albanian minority deteriorated rapidly from late 1992 over a number of issues. These included: arrests of ethnic Albanians in the western towns of

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<sup>20</sup> Poulton, Hugh, *Who Are the Macedonians* (Indiana: Indiana University Press, 2000), 176.

Gostivar and Tetovo (predominantly Albanian populations); alleged underrepresentation of Albanians in the national census; disputes over language and education rights of the Albanian minority; displays of Albanian flags at municipal buildings; and voting irregularities indicating an increasing division between moderates and radicals of two political parties mainly supported by ethnic Albanians.

Internal tension in Macedonia was compounded by the civil conflict in Albania in early 1997. The financial investment pyramid scheme, which had a devastating effect on the economy and civil order in Albania, prompted Macedonia to place its forces on alert because of the possible spillover. "The collapse of the pyramid banks began to have wider regional repercussions...tens of thousands of Macedonians lost their savings when their money in a large Macedonian savings bank was diverted to Albanian pyramid schemes."<sup>21</sup> As a result of the collapse of law and order in Albania, the border between the two countries became problematic. "...With the absence of any guards or Interior Ministry police on the Albanian side organized crime and drug dealing also increased. Weapons plundered from Albanian armories made their way across the border."<sup>22</sup> UNPREDEP also deployed additional troops on the border with Albania because of violence after the collapse of the economy.

Students at the University of Tetovo in Macedonia held demonstrations in October 1997 to express support for students in Kosovo where Albanian language schools were closed. In early 1998 increasing violence in Kosovo and clashes between the Serbian security forces and the KLA, furthered concern that widespread military conflict would erupt in the province. The KLA claimed responsibility for a number of bomb attacks in Macedonian towns - in Gostivar and Tetovo in late 1997 and early 1998, as well as the bombings of police stations in Prilep and Kumanovo in January 1998.<sup>23</sup>

Air strikes against Serbia commenced on March 24, 1999. By April 5, there were more than 350,000 refugees, with Macedonia facing 60,000 at its borders.<sup>24</sup> The numbers continued to increase with the forced expulsion of Kosovars and the organized efforts of Serbia to load trains with refugees and send them directly to Macedonia's northern border. By April 21, the total number of refugees in Macedonia had grown to 130,000. The country was unprepared to admit or administer to the needs of so many refugees. They therefore settled in a "no man's land" near Blace, Macedonia.

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<sup>21</sup> Pettifer, 142.

<sup>22</sup> Pettifer, 142.

<sup>23</sup> Pettifer, 146.

<sup>24</sup> R. Jeffrey Smith, "Macedonia Expels 3,500 Refugees," *Washington Post*, 7 April 1999, A17.

In an effort to stem the flow, refugees were reportedly kept on the train at the Macedonian border and then the train was turned around and sent back to Kosovo.<sup>25</sup> Macedonia also temporarily closed the border on Saturday, April 3. According to Macedonian Ambassador Acevska, "it was a desperate act on our part to get the attention of the international community, to shock the international community into doing something."<sup>26</sup> Macedonia criticized NATO for attacking Serbia and then walking away from the problem of refugees. Later, strict limits on the number of refugees that would be allowed into the country were imposed and refugees were processed at a slow rate: "...Macedonians were deliberately delaying the processing out of fear that a vast influx of Kosovo Albanians would upset the country's ethnic balance."<sup>27</sup> It should be noted, however, that prior to the start of the NATO air campaign, approximately 15,000 Kosovar refugees had been allowed to enter the country quietly as "tourists" and reside in local communities.<sup>28</sup> As of April 6, Macedonia still had declined to give the United Nations a full mandate to process, register and care for refugees, despite the agency's offer.

The same day saw the culmination of Macedonia's actions to prevent an increase in the number of Kosovo refugees within its borders. "On Tuesday night, April 6, some 45,000 refugees were deported from the border camp at Blace, evacuated on buses and dispersed throughout the region. The operation, unannounced and executed by the Macedonian authorities under the cover of darkness, was chaotic."<sup>29</sup> It was reported that refugees fled without the few personal belongings they possessed and that families were separated. The action was widely criticized by the international community. The United States sent a message to the Macedonian Government that it was expected to uphold the highest standard of humanitarian law and internationally accepted laws in the treatment of refugees and evacuation procedures. Nearly 10,000 refugees were sent to Albania, 1,500 boarded planes for Turkey, and others traveled to Greece. The remaining refugees were relocated to NATO camps further south in Macedonia. This action was intended to achieve two results: to focus international attention on Mace-

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<sup>25</sup> Reported by Colin Baker, "The Refugees Journey," Online NewsHour with Jim Lehrer Transcript, 31 March 1999.

<sup>26</sup> Macedonian Ambassador Acevska, "Perspective from Macedonia" Online NewsHour with Jim Lehrer Transcript, 7 April 1999.

<sup>27</sup> Carlotta Gall, "Macedonian Delays Endanger Refugees, Relief Agencies Say," *New York Times*, 6 April 1999, A1.

<sup>28</sup> Department of State, 1999 Country Report on Human Rights Practices, February 25, 2000. Available online at [http://www.state.gov/www/global/1999\\_hrp\\_report/macedonia.html](http://www.state.gov/www/global/1999_hrp_report/macedonia.html).

<sup>29</sup> Carlotta Gall, "As Border Camp is Broken Up, Refugees as Scattered and Families Separated," *New York Times*, 8 April 1999, A14.

donia's situation and to send refugees to other countries. "As fast as other countries take the refugees, so the problem will be completed," according to Macedonia's Prime Minister Ljubco Georgievski.<sup>30</sup>

While Macedonia was not in direct conflict with either Serbia or NATO, the country was drawn into the hostility by virtue of its geographic proximity to Serbia and its ethnic Albanian minority. Milosevic's systematic and intentional expulsion of refugees to Macedonia constituted a threat to Macedonia's fragile peace. "Milosevic created a refugee crisis...the bombing took the lid off."<sup>31</sup> Serbia's intention to cause wider conflict within the region required Macedonia to respond as if it were under attack. The overwhelming number of Kosovar refugees constituted an attack, inundating Macedonia and causing a humanitarian crisis for the country as well as threatening political and social stability.<sup>32</sup>

### *Analysis within the Framework of Sun Tzu*

Referencing the work of Sun Tzu may seem unorthodox, however, his 4th century treatise, *The Art of War*, stressed the relationship between political considerations and military policy. It further addressed both strategy and tactics in times of conflict and the period of time leading up to war. Illustrating Macedonia's situation during the Kosovo within the framework of Sun Tzu's *The Art of War*, renders an interesting perspective.

"Sun Tzu devotes considerable attention to the concerns that precede war, discussing in detail the advantages of various diplomatic strategies. He devotes as much attention to the environment in which war unfolds as to the battle proper. For Sun Tzu, diplomacy is the best means of attaining his ideal of victory without bloodshed."<sup>33</sup> If we look at Macedonia's situation in this pre-war context and its goal to avert war, we can understand why Macedonia pursued such strong ties with the international community. Macedonia recognized its own vulnerability in the region as a result of tensions with neighbors and because of its recent separation from Yugoslavia. By allowing the stationing of UN troops in the early 1990's and then seeking explicit assurances of protection

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<sup>30</sup> Carlotta Gall, "Many Fear Where They're Going, as Well as Where They've Been," *New York Times*, 7 April 1999.

<sup>31</sup> Interview with Ivo Daalder. Frontline, PBS. Aired on 2.22.2000. Available online from <http://www.pbs.org/wgbh/pages/frontline/shows/kosovo/interviews/daalder.html>.

<sup>32</sup> Judah, Tim. *Kosovo, War and Revenge*, p. 250-253. Judah states Milosevic hoped to export the war and that Macedonian authorities were alarmed and frightened.

<sup>33</sup> Handel, Michael, *Masters of War* (London: Frank Cass, 1996), 31, 37.

by NATO and the United States in case Serbia attacked directly, Macedonia strengthened alliances.

This strengthening of alliances contributes directly to Sun Tzu's notion of *hsing*, or strategic positioning. In a strict interpretation *hsing* refers to military logistics and preparedness, but it also implies the sense of "force multiplier." Macedonia called upon the resources and public diplomacy of the United States and NATO to bolster defenses. The presence of 12,000 NATO troops and the verbal assurances of protection in case of direct Serbian aggression, provided Macedonia with increased *hsing*.

Sun Tzu also incorporates the concept of *shih*, or strategic advantage. *Shih* includes the elements of timing and assessment. Macedonia perceived the presence of Kosovar refugees as detrimental to the stability of the country. Therefore, the Government decided to remove 45,000 refugees on the night of April 6. Reacting to the growing presence of refugees in Blace, officials executed the rapid removal of thousands of people in order to retain a strategic advantage over the situation. This action not only achieved the immediate goal of reducing the number of ethnic Albanian refugees in Macedonia, but it also sent a strong message to the United States and NATO that Macedonia should not be left to deal with the humanitarian crisis alone. The action may have been simple in nature, but the statement to the West was clear.

Noting the detriment of protracted warfare, Sun Tzu said "when you do battle, even if you are winning, if you continue for a long time it will dull your forces and blunt your edge."<sup>34</sup> Macedonia may have judged the presence of refugees as potentially entering into a type of protracted warfare. The presence of Kosovars over a long period of time could have led to greater instability, a strain on the social and economic infrastructure and a significant change for the Macedonian Slav majority. With the uncertainty of many factors, including how long the air strikes would be carried out against Serbia and how many more refugees would arrive at the border, Macedonia reduced the likelihood of "protracted warfare" with the Kosovars by employing delay tactics of processing at the border and by publicly admitting that "as fast as other countries take the refugees, so the problem will be completed."

The aspect of "attacking the enemy's strategy" is incorporated in *The Art of War*. Accepting that Milosevic strategically expelled the refugees in order to heighten conflict, Macedonia attacked the enemy's strategy by reducing the number of refugees. The potential for intensifying and widening the conflict was significantly reduced. Macedonia's actions also evidenced a keen understanding of the enemy.

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<sup>34</sup> Sun Tzu, *The Art of War*, 57.

### *Trade and Economic Consequences of NATO Air Strikes*

While NATO's targets were intended to disrupt and degrade Milosevic's infrastructure, the damage done to factories and roads in Serbia has had a negative impact on Macedonia's trade and economy. "The impact of NATO bombing was a catastrophe," according to a high level Macedonian official. "All trade is going through Yugoslavia. We can use the port of Thessaloniki, but Macedonia is small and we don't have enough products to use the ships for that sort of trade," she said. Serbia is an important market for Macedonian trade as well as a conduit to the European Union. "The Kosovo crisis meant that Macedonia's trade route to EU markets was blocked. Because roads and railways were damaged by NATO air strikes, it may take time for these routes to be restored. Damage to facilities in Yugoslavia will also hurt Macedonian enterprises that used to depend on them for raw materials and supplies."<sup>35</sup> For example, soap production and pharmaceutical sectors were dependent on Serbia for raw materials. The iron and steel sectors relied on transport routes through Yugoslavia to obtain raw materials.<sup>36</sup>

Macedonia's economy has struggled from the beginning and events in the international community have had a detrimental affect. As noted earlier, both the UN embargo against Serbia and Montenegro and the Greek embargo against Macedonia hurt the fledgling economy. Crucial first years of development were lost because of circumstances in the international environment. Then in 1999 a number of foreign direct investments were delayed or canceled because of the war in Kosovo. "Regional instability has deterred most commercial lenders and potential foreign direct investors."<sup>37</sup> In terms of manufacturing, the effects of the blockades, loss of markets, and conflict "are still being felt today in the form of permanently lost markets, antiquated equipment and a skills drain."<sup>38</sup> According to a World Bank study, the limited capacity of internal markets means economic growth depends heavily on export-oriented industries.

Despite external shocks to economic growth, the economy has demonstrated a consistent ability to rebound, though modestly. "Before being hit by the Kosovo crisis, the Macedonian economy had begun a long-awaited recovery, albeit a fragile one. Following a sharp decline in 1994-1995, output stabilized in 1996 and increased marginally by 1.5 percent in 1997 and 2.9 percent in 1998."<sup>39</sup> Macedonia demonstrated its ability

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<sup>35</sup> The Economist, "Macedonia - Country Profile 1999/2000" p. 33.

<sup>36</sup> "Macedonia Country Profile," *The Economist*, 29.

<sup>37</sup> *The Economist*, 34.

<sup>38</sup> *The Economist*, 28.

<sup>39</sup> The World Bank Group, Country Brief. Available online from <http://wbln0018.worldbank.org/...2852567ef0069dada?Open Document>.

to recover economically again in 1999. "Macedonia staged a surprisingly strong economic recovery after the end of the war in Kosovo, with industrial production rising by 12.5 percent. The recovery was bolstered by a surge in exports to Kosovo as returning refugees bought Macedonian building materials and food."<sup>40</sup>

Macedonia recognizes the need for outside investment and appears willing to move forward in its relationship with Greece, despite the hostile relationship in the early 1990's. Economic ties between the two countries also benefit Macedonia's international financial standing. "Macedonia recently sold a 68.4 percent stake in Stopanska Banka, the country's largest bank, to National Bank (Greece) for \$58.6m. The EBRD and the IFC also backed the deal. For the Government of Macedonia, the sale is important because it will help unlock crucial World Bank and IMF credits."<sup>41</sup> Greece has become Macedonia's third biggest trading partner; "over the past two years politics has receded into the background and business is taking center stage. Hellenic Petroleum took a 54 percent stake in the OKTA refinery and committed \$182m to the investment, including renovation and pipeline construction."<sup>42</sup> International investment and unfulfilled aid pledges are the key foci of current attention. "Figures estimating how much the crisis cost the Macedonian economy vary widely, but \$660 million is the most frequently used number.<sup>43</sup> The issue of unfulfilled pledges is only a part of the picture. "A related problem is the slow disbursement of aid, which can give the impression that it is not coming. The bureaucratic and slow response by the Macedonian counterparts in presenting feasible and realistic projects, submitting the necessary documentation, statistics and calculations to the donors, and confusion over which ministry or government body is responsible for the aid has caused further delay and misunderstanding."<sup>44</sup> There is also no central organization keeping track of aid received in Macedonia despite international pledges of \$256.5 in grants and credits at the Paris donor conference in May 1999.<sup>45</sup>

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<sup>40</sup> The Economist Intelligence Unit, 4<sup>th</sup> Quarter 1999, Macedonia, 3.

<sup>41</sup> The EIU, Business Eastern Europe, February 14, 2000, 5.

<sup>42</sup> The EIU, Business Eastern Europe, February 14, 2000, 5

<sup>43</sup> OSCE, 1999 "OSCE Spillover Monitor Mission Report To Skopje, Economic Background Report."

<sup>44</sup> Ibid.

<sup>45</sup> Ibid.

## *Conclusion*

All of Eastern Europe faced enormous challenges after the collapse of communism in 1989. In addition to the challenges of post-communist transition, Macedonia also faced numerous external shocks to its fledgling democracy after separating from the former Yugoslavia. While Macedonia's withdrawal was peaceful, the country's arrival on the international scene was met with hostility, most notably from the strong voice of the region's NATO member, Greece.

A key opportunity to promote democratic values and exercise responsible foreign policy was disregarded when the Bandinter Commission failed to recognize Macedonia. The struggle to assert independence in an environment where both the West and regional counterparts undermined the country's position was further complicated by two wars. And though Macedonia was not directly involved in either the Bosnian or Kosovo wars, the country suffered economically, politically, and socially. The Kosovo war in 1999 heightened tensions between the ethnic Albanian minority and the Slav Macedonian majority.

Macedonia has been able to absorb and adjust to all the external shocks without a major crisis. This equilibrium, however, is becoming even more fragile and is coupled with an overall decline in the country's economy. Ironically, in its tenth year of independence, Macedonia now faces its greatest threat from within its borders. According to the OSCE High Commissioner on National Minorities, Max van der Stoep, the greatest threat to European peace in the 21st century is the rise of nationalism. His greatest concern at the moment is the danger of nationalist confrontation in Macedonia over the language rights of the ethnic Albanian minority.<sup>46</sup> In order to achieve a more stable and lasting democracy, Macedonia will need to turn its attention to challenges originating within its borders.

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<sup>46</sup> Peel, Quentin, "OSCE Minorities Chief Aims for Early Action," *Financial Times*, May 19, 2000, 3.