KOSOVO - SERBIA DEMARCATION – FINAL SOLUTION OR NEW PROBLEMS?
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INTRODUCTION

After the Brussels negotiations between Belgrade and Pristina came to a dead-end due to the difficult implementation of an agreement involving the establishment of the Association / Community of Serbian Municipalities, a news broke somewhat unexpectedly in July 2018 that two presidents, Aleksandar Vučić and Hashim Thaçi, were discussing an exchange of territories between Kosovo and Serbia as a way to resolve the relationship between the two sides in the long run. Despite the coordination of the messages of the two actors, they semantically sent different messages. While President Vučić referred to the solution as a "demarcation", that is, the establishment of borders between the two peoples, President Thaçi called it a "border correction", which, according to him, would imply the annexation of certain parts of the Preševo/Preshevë Valley to Kosovo and at the same time would enable the recognition of Kosovo by Serbia, membership of Kosovo in the United Nations (UN) and would prevent the establishment of a Community/Association of Serbian Municipalities (ZSO) with executive powers. The professional public, both in Kosovo and in Serbia but, above all, in the European Union and the United States of America, saw a "euphemism" for a "territorial exchange" in this decision and the messages of the two presidents, which would probably mean that Kosovo would give its part or all four municipalities in the North to Serbia and receive part of the municipalities of Preševo/Preshevë, Bujanovac/Bujanocë and Medveda/Medvegjë in return. The agreement would also entail the recognition or, at least, membership of Kosovo in the UN with Serbia's consent.

The two presidents initially received support for such a proposal from individual representatives of the United States of America (USA), most notably John Bolton, who at that time was the National Security Advisor to the President of the USA. Bolton said the USA was open to hearing proposals from the two sides and would not set red lines but would not provide "blank checks" for the deal, either. Similar messages expressing their willingness and flexibility to listen to the two parties came from the EU High Representative for Foreign and Security Policy, Federica Mogherini and Enlargement Commissioner, Johannes Hahn. This approach to resolving relations between Belgrade and Pristina was vehemently opposed primarily by Germany and Great Britain, but also by almost all political parties in Kosovo, as well as opposition politicians in Serbia. The most severe in their criticism were the representatives of the Serbian Orthodox Church (SPC).

This analysis addresses the issue of demarcation and its consequences, the potential costs and benefits and the impact that such a solution could have on communities, socio-economic, political and security situation.
A BRIEF GENESIS OF "DEMARCATION" AS A PROPOSAL FOR A SOLUTION TO THE KOSOVO ISSUE

The demarcation did not appear for the first time as one of the proposals for a solution to the Kosovo problem. It has long existed as one of the ways of historically resolving relations between Serbs and Albanians, most notably in certain intellectual and political circles in Belgrade that have advocated its partition. The first to speak publicly about this was Dobrica Ćosić, a writer and former President of the FRY. He has argued since the 1960s that Kosovo was lost and that the best solution would be to divide Kosovo into a Serbian and an Albanian part.

Similar solutions received more supporters during the 1990s, when Aleksandar Despić, the former President of the Serbian Academy of Sciences and Arts (SANU), proposed a partition due to the demographic expansion of the Albanian people and the demographic recession of Serbs. Although never publicly, it is believed that before his tragic death in 2003, Zoran Đinđić intended to propose partition as one way to solve the Kosovo problem. Before the demarcation issue was opened in 2018, Ivica Dačić had since 2011 spoken of partition as the most realistic solution, as the then Minister of the Interior (MIA). In the international public, Steven Meyer, a former Deputy Chief of the CIA for the Balkans, proposed partition in 2005 as the most realistic solution to the Kosovo issue. Similar comments were made in their respective roles by Sir Ivor Roberts, former British Ambassador to Yugoslavia, and Erhard Busek, Special Coordinator of the Stability Pact for South-East Europe.

DEMARCATION IN THEORY - DEFINITION, JUSTIFICATION, CRITICISM

Not many academics have dealt with the analysis of demarcation and territorial partition. Even those who did, often equated demarcation/partition and secession. For Brendan O'Leary, political demarcation/partition objectively divides a previously unique territorial entity into two or more parts that may be bounded by borders or codified by new maps. ¹ The second, broader definition, also comes from O'Leary, stating that political demarcation must be defined as a fresh change of borders across the national unit of a community, creating thereby at least two separate political units under different sovereignty and authority. Such political demarcation aims to regulate national or ethnic conflict. ²


Obviously, to come to a demarcation, there is a need for a certain border change to occur, some new lines of demarcation within a political and territorial whole. Heraclides also provides a similar definition of demarcation/partition, but from the perspective of changing borders with the consent of both parties, so as to make this demarcation legal under international law, too.³

**JUSTIFICATION OF DEMARCATION**

The justification of demarcation/partition is based on empirical work of academics who see this kind of arrangement as an option that regulates or resolves national and ethnic conflicts. The key question is - what is the purpose of demarcation? The works of Chapman, Carter Johnson, and Kaufman state that demarcation can be a good way to resolve deep and complex long-lasting ethnic conflicts. This theory is based on two principles. First, ethnic conflicts are qualitatively different from other types of conflicts. Second, parties to ethnic conflict face a long-term security dilemma that prevents them from de-escalation and demobilization. As a result, ethnic groups must be divided and given sovereignty in order to achieve long-term peace.⁴

For all these academics, demarcation facilitates post-war democratization, precludes recurring conflicts and significantly reduces low-intensity ethnic violence. According to Chapman and Roder, demarcation and ethnic division are good solutions to nationalist ethnic conflicts, better than alternatives such as unitarism, de facto partition or autonomy, as it increases the prospects for post-conflict peace and democracy. They calculated that after 72 ethnic conflicts from 1945 to 2002, in only 14% of cases, parties who de facto and de jure «demarcated» between themselves experienced re-violence after 2 years. Sovereign states created as a result of demarcation and partition are no more inclined to start a new conflict with another state, than any other state in the world. Based on their empirical study, ethnic demarcation parties were also often more likely to strengthen democracy. After the ethnic civil wars, partition parties generally saw positive growth in post-conflict democracy compared to the pre-conflict state, and 71% of them saw significant growth of 6 to 20 percent on the democracy scale.⁵

Brendan O'Leary states that those who support demarcation often make this while using historicist arguments that it is a «last resort» and is justified when all other options had been attempted. As such, demarcation between the two territorial units will then likely facilitate better relations between the two states. Also, demarcation as a last resort sees demarcation as an opportunity to separate antagonistic communities. Such proponents of demarcation consider them to be realists. According to them, good borders make good neighbors, while bad borders provoke conflicts. If heterogeneity and multiethnicity creates a security dilemma and encourages communal violence, then the policy must be to set new boundaries - to add incentives for a controlled population exchange that will reduce heterogeneity and increase community homogeneity, which in turn will reduce the possibility of violence.

CRITICISM

Criticism of demarcation comes from academic community, politicians and representatives of international organizations. The basic criticism is that demarcation/partition or exchange of territories violate the international law and the territorial integrity of national units. Also, the key criticism is the problem of population migration. When there was a demarcation between two ethnic communities after a conflict, there was almost no such case where all the members of the ethnic communities appeared to be on the same side of the border. This situation creates a problem, how to find solutions for those communities that remain on the other side of the border. Many who advocate for demarcation believe that «voluntary» population transfers should be included in the solution.

Such population transfers are a controversial topic, subject to serious criticism for at least two reasons. Firstly, even organized transfers of the population, if not «voluntary», constitute a violation of basic human rights. Secondly, there is a debate about how far any state or institution can carry out «humane resettlement». A review of the 20th-century practice shows that such attempts usually ended in chaos and with a large number of victims, especially civilians.6 This is important because successive states, once demarcated, will rarely be ethnically homogeneous and ethnic antagonisms of the past may continue. Also, demarcation does not resolve primary ethnic animosities, stereotypes and rivalries, so conflicts that end with demarcation can continue as inter-state wars.7


DEMARCATION OF SERBIA AND KOSOVO PRO ET CONTRA

PRO

The issue of “demarcation” as a solution to the Kosovo problem has attracted much attention both in domestic circles in Kosovo and in Serbia, as well as among international representatives and experts for the Balkans. This issue has caused a great deal of controversy and heated debate between those who spoke positively about "demarcation" and those who see it as a potential germ of future conflicts. According to the information available so far and according to speculations, "demarcation" of Kosovo and Serbia should include some form of territorial exchange or change of administrative borders. Based on many indications, the most likely scenario would be that the four northern Kosovo municipalities North of the Ibar River (Leposavić/q, Zvečan/Zveçan, Zubin Potok, North Mitrovica) or parts of them belong to Serbia, and that the Preševo/Preshevë Valley Municipalities (Preševo/Preshevë, Bujanovac/Bujanocë and Medveđa) or their parts inhabited by Albanian people belong to Kosovo.

The biggest proponents of this solution are among the political leaders who are the bearers of this idea in Belgrade and Pristina, most notably presidents Aleksandar Vučić and Hashim Thaçi. Political representatives of Serbia, and above all the President of Serbia, Aleksandar Vučić have repeatedly noted that “demarcation is the policy he stands for and that resolving the status of Kosovo is vital for the citizens of Serbia. The key arguments they make is that such a solution would bring long-term stability, moreover, that border change cannot be ruled out and that Serbia needs to get something in order to reach an agreement. President Vučić emphasizes that demarcation would lead to stability in the region, not new conflicts, because, as long as territorial issues are not resolved, "that is always a source of potential conflicts." In his words, border change has already been attempted in the Balkans in 2008 with the unilateral proclamation of Kosovo’s independence and sees no reason why demarcation could not be discussed today. "We want clear borders, not a provisional one like today, where one thing is said in writing and something else is on the ground, President Aleksandar Vučić said for the daily "Novosti". On several occasions, President Vučić has indicated that Serbia might consider the recognition of Kosovo if it would get something in return.

8 Kossev: President of Serbia: I advocate demarcation with Albanians, Available at: https://kossev.info/president-srbija-zalazem-se-za-razbranicenje-sa-albancima/
In this sense, a demarcation by which Serbia receives part of the territory in northern Kosovo in return for recognition seems realistic, as it also enables Belgrade a face-saving mechanism in the negotiation process in which it can present this solution as a gain to the public opinion in Serbia in case, for example, the northern Kosovo is allowed to remain within Serbia. President Vučić also stressed that a certain change in international circumstances and an improvement in Serbia's relations with the USA, Germany, France and Turkey has enabled these countries to be more receptive to suggestions from the Serbian side, while, at the same time, maintenance of traditionally good relations with Russia and China gives Serbia a good background to push the demarcation as one of the solutions. In the service of promoting such a solution, President Vučić and his associates are preparing the public opinion in Serbia for its acceptance by lowering public expectations, while, at the same time, stating that Serbia has nothing to lose South of the Ibar, given the national structure in Kosovo and the relatively small number of Serbs. In addition to his closest associates, he is also assisted in this by Milorad Dodik, a member of the B&H Presidency from Republika Srpska, who says that Serbia would certainly not be capable of handling the return of Kosovo into its constitutional and legal framework and that demarcation is the best solution.

In Kosovo, the main proponent of this idea, President Thaçi believes that a "border correction", as he calls this solution, can be implemented in a "peaceful, transparent and responsible manner" and that such a peace agreement between Kosovo and Serbia will allow for mutual recognition and that no one from the international community will oppose it, as such an agreement is in full conformity with the international law. According to his words, the agreement would complete the statehood of Kosovo and pave the way for the EU, NATO and UN memberships. Because of his commitment to the idea of "changing borders," President Thaçi has faced serious criticism in the Kosovo society from Kosovo's politicians, as well as from the civil society and academia. The need for "border correction" as a solution was argued by Bekim Collaku, Chief of Thaçi's Cabinet, in an article for LSE. According to Collaku, the current limbo in which Serbia and Kosovo are located does not serve anyone and does not allow either side any progress in European integration. According to him, the current situation will not enable the recognition of Kosovo by the 5 EU countries, nor will Serbia be able to become an EU member state without solving the Kosovo problem.

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9 Kossev: Thaçi: Full annexation of Preševo, Medveda and Bujanovac. We will also amend the Constitution. Available at: https://kossev.info/taci-potpuno-pripajanje-preseva-medvede-i-bujanovca-kosovu-izmenicemo-i-ustav/

He believes that no one should be afraid of the Belgrade-Pristina deal or the domino effect, because, as he points out, borders will not be adjusted along ethnic lines, and a significant proportion of minorities will remain within the new borders. Çollaku believes that 2018 was the best time for reaching a compromise, given the enhanced European perspective of the Western Balkans following the adoption of the European Commission’s Enlargement Strategy for the Western Balkans and the agreement reached between Skopje and Athens. In his words, everyone would benefit from reaching an agreement, because it would mean more stability, regional cooperation and more foreign direct investments across the region.

The "demarcation" or "border correction" has received considerable support from some Balkans connoisseurs, as well as from a part of the academic community. Wolfgang Petrich, the former High Representative in B&H, was among the first to support such a solution, considering it to be an opportunity for the first time in the history of the Balkans not to change borders with blood and war. According to him, the added value of such a solution is that it would come from the parties themselves and not be imposed from the outside. Damon Wilson, the Executive Vice-President of the Atlantic Council, also reacted to the signs that a deal could be reached positively, stating that he believes that an agreement between Belgrade and Pristina that includes the recognition of Kosovo will be the largest incentive for investments in the region. According to him, it is necessary that, as a consequence of the agreement, the USA participates in the creation of a security picture in the region. Charles Kupchan, a professor at Georgetown University, on the other hand, believes that swapping territories is the most effective way to solve the problem of Kosovo, despite that it would entail a certain form of "peaceful ethnic cleansing". According to Kupchan, pragmatism is needed to address these issues, and Belgrade must be given a "face-saving" mechanism through certain territorial gains in order to recognize Kosovo in return. Timothy Less, a former British diplomat in the Balkans, also supports the idea of demarcation, as he believes that countries in the

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region should be reorganized as national ones, because if we cannot stop the divisions, then we need to reorganize them. Less opines that peace in the Balkans can only be reached by redrawing borders 14.

Even James Ker-Lindsay, a good connoisseur of the Balkans and, above all, of the Kosovo issue, would not mind the "border correction" if it implied the recognition of Kosovo by Serbia. "An agreement between Belgrade and Pristina, assuming that it is based on the full recognition of Kosovo's statehood by Serbia, would completely transform Kosovo's position on the world stage. Most importantly, it would open the way for Kosovo to join the United Nations. Further, membership in the UN would guarantee that five EU member states that do not recognize Kosovo's independence would finally accept it.15" According to him, these countries had a problem with Kosovo's unilateral secession, but if Belgrade and Pristina agree that Kosovo can continue its path, he believes it would withdraw the arguments of all countries that do not recognize Kosovo now to abandon such a policy.

CONTRA

Most political parties in Kosovo have opposed the demarcation proposal, with Prime Minister Ramush Haradinaj being the most vocal in his displeasure. In order to indirectly prevent "exchange of territory" negotiations, in November 2018, Prime Minister Haradinaj initiated the introduction of 100% tariffs on Serbian products, which technically led for negotiations to be suspended, as Belgrade refused to negotiate until the abolition of tariffs. At the same time, in the election campaign for Kosovo's parliamentary election, most parties rejected the ability to support President Thaçi's plans for "territorial exchange." Although the question of dialogue did not play a major role in Albanian political parties' campaigns, in order to prove their "rightful beliefs" and commitment to a whole Kosovo, several political parties, such as the PDK and Self-Determination also visited the North of Kosovo on the first day of the political campaign in September 2019. Opposition political parties in Serbia assembled around the Alliance for Serbia (SzS) also refuse the resolution of Kosovo's status through "demarcation," while remaining committed to a policy of non-recognition and respect for Serbia's territorial integrity.


Most opponents of demarcation cite several reasons why it would be a devastating solution to the Kosovo issue. Firstly, the demarcation would lead to a repeated instability which would result in **population relocation**, possible opening of a **Pandora's box** and **border changes in other cases**, too. Also, according to the critics of this solution, demarcation would lead to geopolitical instability and it **would bring the European integration of the Western Balkans and, above all, of Serbia and Kosovo**, into question.

Most skepticism and concern about this approach was, from different positions, expressed by leaders of the Serbian Orthodox Church (SPC), as well as by individual Serbian politicians and representatives of the civil society. "Bishop Teodosije of Raška-Prizren and the Abbot of the Visoki Dečani Monastery, Sava Janjić, were the most vocal in opposing the proposal, warning that such a scenario could lead to a mass exodus of Serbs from southern Kosovo, as well as to the destruction of the religious and cultural heritage of the SPC in Kosovo."16 Kosovo Serbs also fear that demarcation could lead to the abolition of a set of legal frameworks envisaged by the Ahtisaari plan that protects non-majority communities, above all, Kosovo Serbs. If it comes to that, it might jeopardize the functioning of decentralization in Kosovo and the organization of the local government system, the right to political representation and guaranteed seats in the Assembly and the Government of Kosovo, the right to the preservation of Serbian as an official language and preservation of legislation of vital interest to the Serbian community, such as the Law on Special Protected Zones for the protection of religious, cultural and historical monuments. In that case, even if the demarcation did not lead to violence, there would be a possible silent exodus of Kosovo Serbs, as it would jeopardize their institutional protection and ability to organize.

On the other hand, the representatives of more than 35 civil society organizations from Serbia and Kosovo have sent a public letter to the High Representative of the European Union to unambiguously declare a stance against the partition of Kosovo or the exchange of territories. According to them, such a scenario would legitimize "the dangerous principle of ethnic ownership of the territory - which has repeatedly pushed the Balkan region into bloody conflicts. " At the same time, a message should be sent to Serbs and Albanians living on the ‘wrong side’ to move to ‘their’ ethnic state, which could lead to another exodus of population in the Balkans.17

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17 Kossev: NGOs urge Mogherini to Respond to Stories of Partition of Kosovo, Available at: https://kossev.info/nvo-poz-vale-mogerini-da-reaguje-na-price-o-podeli-kosova/
Similar views on "demarcation" policy are also shared by former international officials. As many as three former High Representatives for B&H, Carl Bildt, Paddy Ashdown and Christian Schwartz Schilling, warned that such a solution would lead to ethnic cleansing of the population South of the Ibar River and a population exchange to create ethnically clean territory. Carl Bildt told the Washington Post that further "balkanization" of the Balkans is a recipe for disaster, because it can lead to a change of borders not only in Kosovo, but also in Bosnia and Herzegovina and North Macedonia. 18 Paddy Ashdown also states that there are reasons why other interethnic conflicts or problems were not resolved by partition. He says that Northern Ireland and Belgium were not divided because only a long war would be gained by that. For him, changing the borders of Kosovo and Serbia is "dangerous and crazy." And Pierre Mirel, the former Director-General of the European Commission for the Western Balkans, states that partition of Kosovo would have repercussions on North Macedonia and Bosnia and Herzegovina, as well as on the behavior of Hungarians in Slovakia. He also warns that such a precedent would allow Russia to use it in Moldova, i.e. Transnistria and other areas. 20

Similar views on "demarcation" are held by international experts on the Western Balkans issues. In an interview with RFE, Daniel Serwer stated that such a decision would result in massive migration of Kosovo's population, that consequences would be the unification of Kosovo and Albania and changes in the borders of North Macedonia and B&H. 21 A similar attitude is held by a Professor at the University of Graz, Florian Bieber and Professor Nikolaos Cifakis from the University of the Peloponnese, members of the Balkan in Europe Policy Advisory Group (BiEPAG). They state that "demarcation" would create new problems not only in Kosovo but, above all, in Bosnia and Herzegovina. Bieber also believes that the process of negotiations between Belgrade and Pristina so far has been


19 Avaz: Paddy Ashdown: Redrawing Borders Leads to War, Available at: https://avaz.ba/vijesti/bih/408071/pedi-es-daun-prekrajanja-branica-vode-u-rat

20 Kossev: Mirel: Partition of Kosovo Presents a Threat to the Region, Available at: https://kossev.info/mirel-partition-of-kosovo-presents-threat-to-the-region/

21 https://kossev.info/server-on-ideju-o-share-kosova-amerikaci-ce-reci-ne-brnabic-i-dacic-u-vasingtonu-forsirali-tu-ideju/
unsuccessful and that it does not lead to any result, as well as that a serious conference is needed, in addition to involving other powers in the process.22

The most vocal opponents of "demarcation" or "territorial exchange" were analysts from the European Stability Initiative (ESI) who felt that the launch of the topic had led to increased tensions and fear among "minorities" across the region that conflict could arise again. According to them, the EU must immediately close this Pandora's box on changing the Balkan borders and credibly commit to integrating the Western Balkans into the EU.23 Walter Kaufman of the Heinrich Bell Foundation also criticizes the proposed "solution" for territorial exchanges between Kosovo and Serbia that, according to him, will not bring about pacification in the region, but will further increase the potential for conflict. He states that such a policy would mean that the principle of multiethnic Kosovo contained in the Ahtisaari plan is abandoned, while at the same time such a policy does not solve any development problems in the region caused by authoritarian leadership and massive corruption, and changing borders based on ethnic principles sends disastrous signals to neighboring countries - B&H and North Macedonia.24

IMPACT OF DEMARCATION ON THE SERB AND ALBANIAN COMMUNITIES

"Kosovo Serb community South of the Ibar River lives scattered in enclaves in the central Kosovo, then in Kosovo-Pomoravlje, the Metohija area and the Šar/Sharr mountains. Serbs constitute the majority in the six majority Serb municipalities South of the Ibar River (Gračanica/Graçanicë, Štrpce/Shtërpcë, Novo Brdo/Novobërdë, Parteš/Partesh, Ranilug/Ranillug and Klokot/Kllokot), and they are present in a number of villages in the municipalities of Peć/Pejë, Istok/g, Klina/ë, Kamenica/ë, Obilić/q, Vučitrn/Vushtrri and Srbica/Skënderaj). According to some unofficial estimates, most Serbs in Kosovo live South of the Ibar River

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nd their numbers range from 60-70,000. In case of the demarcation scenario, this community will face possible political, security and economic consequences. ”25

Kosovo Albanian community North of the Ibar River lives in urban centers of North Mitrovica, as well as in the peripheral villages of the municipalities of Leposavić/q, Zvečan/Zveçan and Zubin Potok. In North Mitrovica, Kosovo Albanians live in ethnically mixed areas of Rudarska četa, Mikronaselje, Brđani and Doktorska dolina, as well as in Suvi Do/Suhodoll, Vinarac and Gušavac. These three cadastral zones belong to the municipality of South Mitrovica, although they are geographically in the North. In addition to North Mitrovica, Kosovo Albanians are present in the villages of Ceranja/Cerajë and Bistrica/ë in the municipalities of Leposavić/q, Lipa/Lipë, Žaža/Zhazhë and Boljetin/Boletin in Zvečan/Zveçan Municipality and Ćabra/Çabër in Zubin Potok Municipality. On the other hand, according to the 2002 census, the Albanian community in the Preševo/Preshevë Valley numbers about 50,000 citizens or about 60% of the population of the three municipalities. They are especially present in Preševo/Preshevë with over 90%, while in Bujanovac/Bujanocë they make up some 55%. In Medveđa/Medvegjë, Albanian population is a minority, with about 30 percent of the population.

POLITICAL, SECURITY AND ECONOMIC IMPACT OF DEMARCATION

The consequences of demarcation on both communities can be reduced to political, security and economic ones.

One of the key consequences of the demarcation cited by most of our interlocutors is the possible silent exodus of the Kosovo Serb community from Serb-majority municipalities South of the Ibar River, as well as from enclaves. Also, the Serb community in these municipalities fears that demarcation may result in the abolition of constitutional and legal guarantees for the protection of their rights made possible by the Ahtisaari Plan.

Also, the security consequences of demarcation can be expected for Kosovo Albanians in the North, depending on where the demarcation line would be and whether the municipality of North Mitrovica would be included in a demarcation arrangement. Then some low-intensity conflicts can be expected. Depending on where the demarcation line in the Preševo/Preshevë Valley would go, the Albanian community in that part of Serbia could find itself divided. Especially if the imaginary demarcation line does not include the mixed

city of Bujanovac/Bujanocë and the Corridor 10, several thousand Albanian citizens could stay out of the imaginary demarcation line. In this case, the possibility of some kind of instability increases significantly.

The biggest blow could be brought by the potential demarcation in the field of economy. In the last twenty years, the Serbian community has depended on Belgrade’s financial support, as the institutions of the Republic of Serbia, which Pristina considers to be parallel, have continued to function in the majority Serb areas. These institutions, above all, education, healthcare, social work centers, as well as temporary municipal bodies) initially enabled the Serbian community to survive. At the same time, the Serbian community also enjoys the right to employment in local and central institutions of Kosovo and, therefore, the number of employees, especially in the municipalities in northern Kosovo, has increased significantly since the signing of the Brussels Agreement in 2013 and the establishment of Kosovo municipalities. In the case of demarcation, such double financial gain for Serbian municipalities would disappear, and support for the Serb population in the South would be questionable after demarcation.

An important economic consequence of demarcation may also be the fate of Trepča/Trepça Combine and Gazivode Lake. Trepča/Trepça mines are an important source of income for citizens in northern Kosovo. The Trepča/Trepça Law adopted by the Assembly of Kosovo calls for the unification of the southern and northern parts of Trepča/Trepça, but this has not yet been put into practice. In the case of demarcation, the northern part with its mines is expected to belong to Serbia, which would mean a certain loss for Kosovo.

Also, Lake Gazivode with a dam and a hydropower plant is an important resource, as 15% of Kosovo is supplied with drinking water from it, including Pristina, and water from the lake is also used for irrigation and supply to large industrial systems, such as Trepča/Trepça, Feronikl and Obilić/q. However, if there is a demarcation, the possibilities of shared usage and management of the resources of Lake Gazivode can be discussed.

Another important segment in the story of the economic impact of demarcation is the fate of the Corridor 10, which intersects the Preševo/Preshevë Valley, above all, the municipalities of Preševo/Preshevë and Bujanovac/Bujanocë. It is hard to imagine that Serbia would give up such an important economic resource, which is the closest route for transporting goods and people to the port of Thessaloniki and the Aegean Sea.
CONCLUSION

As time goes by, the negotiations between Belgrade and Pristina are less likely to result in a solution that involves «demarcation» or «territorial exchange» on an ethnic principle. Germany's opposition to such a solution has made it crucial to avoid «demarcation» in 2018, and given the domestic situation in Kosovo and Serbia, as well as the foreign policy situation in the world, the big question is whether such a proposal for the solution of Kosovo’s status will be restarted. Demarcation / exchange of territories can be a controversial and dangerous solution, especially if it does not receive full international support. In addition to being a nail in the coffin of the already questionable functioning of a multiethnic Kosovo, it would also have uncertain implications for security and regional stability. Fear of exodus and population transfers should be particularly taken into account, as historical examples of divisions and exchanges of territories tell us that they rarely end without casualties, and population transfers follow such solutions almost regularly. India, Cyprus, Pakistan are just a few examples.

However, the demarcation/exchange of territories can be one of the mechanisms for saving the faces of Kosovo and Serbia. Such a solution, which is not imposed and is based on mutual agreement, with the support of the international community could also have positive consequences. For Serbian leaders, the keeping of northern Kosovo could be presented as a gain and would greatly facilitate recognition of Kosovo's independence. Kosovo leaders, on the other hand, could justify the loss of northern Kosovo through the argument that they in turn received Albanian-majority areas in the Preševo/Preshevë Valley, as well as the recognition by Serbia that opens the door to recognition by the 5 EU member states and resolves the issue of international recognition. Such a solution is not necessarily inconsistent with the international law and would be different from any other demarcation / partition example in that it was reached by agreement.

Whatever solution is agreed by Belgrade and Pristina, it is certain that it is necessary to prepare the ground and the community for its implementation beforehand and ensure that it does not lead to a repeated violence.