

YUGOSLAVIA:

Milosevic Exploits Mass Demonstration

*Serbian party boss Milosevic won at least modest new concessions from federal leaders giving Serbia more control over Kosovo.*

The national leadership late yesterday gave at least moral support to some of Milosevic's demands as some 1.5 million Serbs demonstrated in Belgrade. They reportedly backed the Serbian position that the resignations of Serbian-backed ethnic Albanian leaders in Kosovo in the aftermath of recent protests there were made under duress; they also called for careful reexamination of the issue.

Federal leaders reiterated support for Serbian constitutional changes giving Serbia more authority over Kosovo. They rejected other Serbian demands, such as censure of liberal Slovene and Croatian Republic leaders, who angered Serbia by publicly supporting the Albanian protesters. Milosevic, in a statement to supporters, said he was satisfied with the outcome and vowed to continue to advance Serbian interests. Large pro-Serb demonstrations were held earlier in the day in Serbia, Montenegro, Kosovo, and Vojvodina.

The leadership's action—and Milosevic's portrayal of it as a victory—will temporarily appease the Serbs but may create new threats to stability. Milosevic, who capitalized on and probably organized the demonstrations, will be emboldened to challenge federal leaders again, and he will continue efforts to overturn the country's ethnic power-sharing system.

Albanians in Kosovo may renew protests and civil disobedience by staging work slowdowns and strikes, closing shops, and boycotting classes, especially if the local leadership rejects the resignations. Army and police patrols in Kosovo might respond with heavyhanded tactics on Albanians, further restricting their human rights.

Political divisions between Serbia and the northern republics, aggravated by the latest crisis, will make reaching a consensus on other issues, including economic reform, even more difficult. Western creditors may become more reluctant to extend additional financial support, and negotiations on a new IMF standby agreement might get complicated.