

By Djordje Padejski*

No reporter in the world would neglect an opportunity to expose government attempts to restrict the freedom of the media.

Filip Svarm, a long-time editor for the Serbian news magazine “Vreme,” found his own opportunity when the Serbian parliament adopted changes to Serbia’s Media Law. New regulations now restrict freedom of expression, establish huge fines for violations and permit the closing down of media outlets.

Once the Media Law had passed, Svarm realized that Serbian media no longer had the right to free expression. The government now had the power to threaten the work of independent reporters. The government had the same power to control and close down the media as it had in Milosevic’s time.

“No independent Serbian media outlet will again make the mistake of supporting a democratic revolution, because the revolutionaries have now done just about the same things their predecessors did 10 years ago when those then in office were losing their power — place restrictions on media freedom,” Svarm said during a public conference held in 2009.

Campaign financing needs fixing

The Serbian democratic revolution has also failed to make any progress on the issue of campaign financing. The influx of corporate money into politics is rarely discussed in public. While political parties do submit official financial reports, none of these reports ever lists the names of any of the well-known, wealthy businessmen who make political contributions. On the contrary, an unofficial agreement allegedly exists among all of the parties to keep accurate financial reports that list election campaign contributors hidden from the public.

But in 2008, Tomislav Nikolić, former deputy leader of Serbian Radical Party (SRS — Srpska Radikalna Stranka), admitted for the first time that his former party was accepting donations from tycoons, especially from Miroslav Mišković’s Delta Holdings and from Milan Beko, who is behind such major investment funds as Laderna, Worldfin, Salford and FPP Balkan Limited.

These two oligarchs, popularly known as the “owners of Serbia,” were among those who were most commonly

cited by unauthorized media sources as backers of all of Serbia's largest political parties.

Mišković's Delta Holdings hasn't given any explanation about Nikolić's claims regarding the contributions to the SRS.

In addition, information was revealed about how radical followers of ultra-nationalist leader Vojislav Seselj were funding SRS activities. Seselj is the founder and president of the Serbian Radical Party and is now facing war crimes charges by the International Criminal Tribunal for the former Yugoslavia [ICTY].

While it is crucial that the public is aware of these kinds of revelations, they do not seem to be crucial to the work of the Republic Election Committee (REC — Republička Izborna Komisija). Even though this committee's main job is to collect financial reports from the political parties, it has never investigated any information related to campaign financing. This attitude is not surprising, considering the committee is staffed with highly placed representatives of the political parties and is unable to act independently.

Former deputy leader Nikolić, so-called new "star" of Serbian politics, gained a positive public reputation from citizens who quickly forgot his ultranationalist nature. He founded the Serbian Progressive Party (SPP — Srpska Napredna Stranka), a more moderate right-wing party. This new party, made up of ex-radicals, soon took second place among voters, and party members became serious contenders for support from former radical voters.

Cases of misconduct and bribes

The crucial event that had many wonder about Serbia's commitment to anti-corruption laws took place in April 2009, when the Anti-corruption Council (ACC — Savet za borbu protiv korupcije) announced preparations to move the Belgrade Port facilities to a new location.

By purchasing shares of the unsuccessful Belgrade Port, its new owners both own the buildings and have usage rights on the land under them. With the help of some state officials (who made the formal decision to move the port to a different location) those companies now have control over 200 hectares of the best land in the city. This action led to a loss of 2 billion euros (US\$ 2,866,300,000) to the city of Belgrade's budget.

The Serbian TV show Insider B92, a show that specializes in investigative journalism, broadcast a report about this decision and called it an alleged serious “malversation,” or misconduct by a public official. The news report revealed how the privatization processes, in regards to dismantled state-owned companies, became a system for buying cheap land. No charges were ever filed regarding the Belgrade Port case.

Meanwhile, most of the public anger regarding political corruption was focused on another case. This one involved Goran Knežević, the mayor of Zrenjanin, a city located in northern Serbia. Knežević was accused of involvement with organized crime, abuse of his office and accepting and offering bribes that led to budget losses estimated at 1.6 million euros (US\$2.3 million).

Politics more powerful than institutions in fighting corruption

The case of Knežević, who had been a high ranking Democratic Party (DS) politician, is a perfect example of how politics plays a greater role in fighting corruption in Serbia than the existence of competent institutions that have that mandate. Knežević was arrested just a few days after President Boris Tadic (president of DS) informally announced at the session of the DS Main Committee that he would be arrested while Knežević was also present.

Many experts say that the fight against corruption remains a local matter because no charges have yet been filed at the national level, even in the cases that stand out, like the Belgrade Port case. This fact reveals much about the power of the political parties in Serbia.

Independent enforcement agencies, independent regulatory bodies and institutions whose job is to fight corruption all seem to lack significant influence.

The State Audit Institution (SAI — Državna revizorska institucija), for instance, has been unable to work on budget revisions since 2006. This is due to political maneuvering that denied the SAI the necessary resources to carry out its mandate, such as a business office and sufficient staff.

The Anti-Corruption Council (ACC — Savet za borbu protiv korupcije) and the Conflict of Interest Committee (CIC — Savet za sprečavanje sukoba interesa) will be replaced by an Anti-Corruption Agency (ACA — Agencija za borbu protiv korupcije). The ACA will have serious power only on conflicts of interest.

Verica Barac, head of the ACC, confirmed how the Commission for the Protection of Competition (CPC — Komisija za zaštitu konkurencije) was actually “taken off the case” after the discovery of an alleged illegal monopoly that involves Mišković’s Delta Holdings. (According to the CPC report, Delta Holdings and its subsidiaries owned approximately 70 percent of Belgrade’s retail chains.)

Slobodan Milosavljevic, Minister of Trade and Services, claimed there was no monopoly in the retail market and that data from the Statistical Office of Serbia confirms this. He criticized the CPC for its “unprofessional work” and said the government would not take any action in response to the alleged “random assessments” in the CPC report.

There have been examples of regulators standing up to politicians. Sasa Jankovic, the state ombudsman, forced Nebojsa Ciric, State Secretary for Economy, and Slobodan Homen, State Secretary for Justice, to withdraw a request for the commercial court to stop all court proceedings and freeze the executive court decisions regarding labor relations until the international financial crisis is over.

Data from the Ministry of Justice from the last five years show how poor the Serbian judiciary is. During this time period, 4,316 cases were declared obsolete and had to be dropped due to missed deadlines for starting or ending proceedings by the judges. In the last two years, 517 final verdicts were not carried out because, again, deadlines were missed. As a result, convicted criminals did not serve their jail sentences.

But not all news is bad. The implementation of a law regarding property seizure may lead to the prosecution of high-level criminals in Serbia.

In the first three months since the law came into effect in March 2009, about 100 cases were filed regarding the seizure of property that was obtained through criminal activities. An investigation was launched concerning the property of members of the Zemun Clan who were convicted for, among other crimes, the assassination of Serbian Prime Minister Zoran Đinđić in 2003. (The Zemun Clan is also alleged to have committed political murders, kidnappings and terrorist attacks). Ministry of Justice estimates indicate that about 50 million euros (US\$ 71.9 million) worth of property could be confiscated in Serbia this year alone by the simple application of this law.

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