

Serbia

by Slobodan Markovich

Capital: Belgrade
Population: 7.5 million
GNI/capita: US\$9,320

The social data above was taken from the European Bank for Reconstruction and Development's *Transition Report 2007: People in Transition*, and the economic data from the World Bank's *World Development Indicators 2008*.

Nations in Transit Ratings and Averaged Scores

	Yugoslavia				Serbia				
	1999	2001	2002	2003	2004	2005	2006	2007	2008
Electoral Process	5.50	4.75	3.75	3.75	3.50	3.25	3.25	3.25	3.25
Civil Society	5.25	4.00	3.00	2.75	2.75	2.75	2.75	2.75	2.75
Independent Media	5.75	4.50	3.50	3.25	3.50	3.25	3.25	3.50	3.75
Governance*	5.50	5.25	4.25	4.25	4.00	n/a	n/a	n/a	n/a
National Democratic Governance	n/a	n/a	n/a	n/a	n/a	4.00	4.00	3.75	4.00
Local Democratic Governance	n/a	n/a	n/a	n/a	n/a	3.75	3.75	3.75	3.75
Judicial Framework and Independence	5.75	5.50	4.25	4.25	4.25	4.25	4.25	4.25	4.50
Corruption	6.25	6.25	5.25	5.00	5.00	5.00	4.75	4.50	4.50
Democracy Score	5.67	5.04	4.00	3.88	3.83	3.75	3.71	3.68	3.79

* With the 2005 edition, Freedom House introduced separate analysis and ratings for national democratic governance and local democratic governance to provide readers with more detailed and nuanced analysis of these two important subjects.

NOTES: The ratings reflect the consensus of Freedom House, its academic advisers, and the author(s) of this report. The opinions expressed in this report are those of the author(s). The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. The Democracy Score is an average of ratings for the categories tracked in a given year.

In *Nations in Transit 2007*, Freedom House provides separate ratings for Serbia and Kosovo in order to provide a clearer picture of processes and conditions in the different administrative areas. Doing so does not indicate a position on the part of Freedom House on Kosovo's future status

EXECUTIVE SUMMARY

Serbia's democratization processes continued to encounter challenges in 2007, and political commitment to consolidate previous advances was in weak evidence. In February 2007, the International Court of Justice (ICJ) made the first-ever ruling on the application of the 1948 Genocide Convention, and in the case of *Bosnia and Herzegovina v. Serbia and Montenegro*, found that Serbia had not committed, conspired to commit, or been complicit in genocide during the Bosnian war; but that it violated the Convention by not using its influence on the Republica Srpska leaders to prevent genocide from happening in Bosnia-Herzegovina. The court also stated that Serbia was in breach of its obligations by its failure to transfer Ratko Mladić for trial and cooperate fully with the ICTY.¹

The judgment was received well among Bosnian Serbs (but not by Muslims in Bosnia) and mainstream political parties in both Serbia and the Republica Srpska, but some NGOs in Serbia severely criticized this judgment claiming that it was in insult to victims. Cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY) improved in 2007 in terms of supplying the court with documentation, although Serbia did not arrest the chief suspects (General Ratko Mladić and Radovan Karadzic), which was the court's primary demand. Negotiations with the EU continued, half-heartedly—and did not result in a Stabilization and Association Agreement (SAA)—and the status of Kosovo remained the key issue that increasingly influenced domestic politics.

National Democratic Governance. In January 2007, the parties of the democratic bloc won the elections, but it took three months of negotiating to form a new government. The center-right minority government led by Vojislav Koštunica and the Democratic Party of Serbia (DSS) was replaced by a coalition of two centrist parties—G17plus and the Democratic Party (DS)—and one center-right party: Koštunica's DSS. The DS and G17plus had been unable to form a majority in the parliament and through “horse-trading” the position of prime minister were able to bring in the DSS, which had been negotiating with the Serbian Radical Party (SRS), and achieve the necessary majority. After political maneuvers that included the brief appointment of the leader of the nationalistic Serbian Radical Party as speaker of parliament, Prime Minister Koštunica thus secured another appointment as Prime Minister. However, his coalition won significantly fewer votes than the Democratic Party led by Serbia's president Boris Tadić. It was May when the Democratic Party, the Democratic Party of Serbia (DSS), and G17plus formed the new government, but the rivalry between DS and DSS remained throughout 2007. Negotiations with the EU were resumed and progressed, but the main political obstacle—the inadequacy of Serbia's co-operation with the ICTY—made these

relations ambiguous. Two more indicted persons were transferred to The Hague, but four are still demanded from Serbia. The government made the status of Kosovo the major domestic issue and allowed it to derail the completion of many other important reforms. *Owing to the difficulties encountered during the several months it took to form a government, and political leadership that chose to let the Kosovo issue derail major reforms, Serbia's national democratic governance rating worsens from 3.75 to 4.00*

Electoral Process. In 2007 general elections were held in Serbia, and the parties of the democratic bloc won 145 seats. The January 21 elections were held in accordance with democratic principles and under more objective media coverage than in earlier elections. Elections were observed by leading domestic and foreign observers and were assessed as free. Marking a minor improvement, previously enacted legislation enabled better representation of women through quotas placed on party list candidates, and a return of minorities to the National Parliament. Presidential elections were postponed until the beginning of 2008. *Serbia's electoral process rating remains at 3.25.*

Civil Society. The law on NGOs was prepared but not enacted in 2007, and an ombudsperson for citizens was finally appointed in June 2007. Leading NGOs found themselves in opposite camps regarding the question of the conditionality of Serbia's SAA negotiations with the EU. NGOs successfully opposed a neo-Nazi march in Novi Sad and campaigned against a state tax of 5 percent on donations to NGOs. But overall, neither political space nor civil society's scope of influence was broadened. *Serbia's rating for civil society remains at 2.75.*

Independent Media. Television remained the most influential among Serbian media options, and tabloids maintained their quantitative dominance over quality dailies. State television was ordered to broadcast sessions of the parliament, and the state television found itself in a dilemma on whether to meet demands by SRS to broadcast the ICTY court proceedings against the president of the Serbian Radical Party, Vojislav Šešelj. An assassination attempt was made on the journalist Dejan Anastasijević of *Vreme*, a national independent weekly. *As the attempted assassination of a prominent journalist is symptomatic of the intimidation and overall environment surrounding those who engage in investigative journalism, Serbia's independent media rating worsens from 3.50 to 3.75.*

Local Democratic Governance. The concession for the Horgos-Pozega highway caused major disputes between the autonomous province of Vojvodina and central authorities in Belgrade. Laws enacted at the end of 2007 brought no new improvements to the field of regionalization, which was not debated much during the year. Local elections were discussed to a greater degree, and the proportional system with a possibility of "envelope resignations" was accepted. This is likely to have a negative effect on local governance in the future. Some important initiatives

that would give local property to municipalities were initiated in 2007, which may be enacted in 2008. *Serbia's rating for local democratic governance remains at 3.75.*

Judicial Framework and Independence. The Constitutional Court was not in session from October 2006 through December 2007. This was detrimental to the rule of law in Serbia. The Ministry of Justice initiated the first prosecution of judges whose neglect of their duties over a long period of time led to the cancellation of several cases. The ministry also initiated an analysis of the duration of court cases in Serbia, which often extend beyond a reasonable length of time. On May 23, and despite ongoing reports of political interference in the work of prosecutors of the case since it began in 2003, the verdict and sentencing were delivered in the former Prime Minister Zoran Đinđić assassination trial. Nevertheless, slight progress in the judiciary is countered by the lack of an operational constitutional court in 2007. *Owing to the lack of a functional constitutional court for all of 2007, Serbia's rating for judicial framework and independence worsens from 4.25 to 4.50.*

Corruption. The question of monopolies was widely debated for the first time in Serbia in 2007. Police arrested an organized group connected to cigarette smuggling. A study by independent analysts established some progress in fighting corruption over the last seven years, but also insufficient political will. *There were some improvements but insufficient progress overall, therefore Serbia's rating for corruption remains at 4.50*

Outlook for 2008. Resolution of the final status of Kosovo is likely to influence the stability of the current government in Serbia. The current pro-reformist president Boris Tadić and the pro-Russian leader of the Serbian Radical Party, Tomislav Nikolić, will compete in the presidential elections in 2008. Tadić's victory is likely, unless the Kosovo crisis provokes national radicalization in Serbia. After Kosovo's independence, cohabitation between the president and the Prime Minister will become more complicated, and their coalition government will experience a serious test. The Prime Minister's party may decide to abandon the current coalition to join the bloc of parties from the Milošević era. Cooperation with the ICTY will depend on political will in Serbia following Kosovo's proclamation of independence. Serbia may accelerate or temporarily abandon efforts to become a member of the EU, depending on the coalition in power.

MAIN REPORT

National Democratic Governance

1999	2001	2002	2003	2004	2005	2006	2007	2008
Y	u	g	o	s	l	a	v	i
a				n/a	4.00	4.00	3.75	4.00

In Serbia, the year began with parliamentary elections in which the parties of the democratic bloc won the majority of seats. The negotiations on forming a government between the two principal actors—Prime Minister Vojislav Koštunica, leader of the center-right Democratic Party of Serbia (DSS), and President Boris Tadić, leader of the centrist Democratic Party (DS)—did not go well. Koštunica and Tadić disagreed on who would be the new Prime Minister or head major ministries. The third party participating in the negotiations, the liberal G17plus, headed by Mladen Dinkić, announced that it would accept any Prime Minister acceptable to DS and DSS. Finally, the smallest party of the democratic bloc, the Liberal-Democratic Party, rejected cooperation with any government that would include G17plus and particularly DSS, and thus excluded itself from further negotiations.

The Serbian parliament has a total of 250 seats. DS won 64 seats, DSS 47, and G17plus with 19 seats, secured a majority, and enough to form a government. Differing views on who should be the next Prime Minister bitterly divided DS and DSS. DS suggested an economist, former finance minister Božidar Đelić; DSS wanted to keep Koštunica as Prime Minister.

At the center of the Serbian political spectrum, Prime Minister Koštunica negotiated a coalition with DS and G17plus, as well as the extreme nationalists from the Serbian Radical Party (SRS) with the largest number of seats in parliament. Following almost three months of official and unofficial negotiations between DSS and DS, Koštunica allowed the leader of SRS, Tomislav Nikolić, to become speaker of the parliament on May 8, 2007. Nikolić surprised all when he announced a day later that the parliament might introduce a state of emergency because of circumstances in Kosovo.

The situation looked gloomy for the democratic bloc, and the Belgrade Stock Exchange suffered a tremendous decline. In this atmosphere of uncertainty, Tadić decided to yield. On May 11, Tadić and Koštunica made an agreement permitting Koštunica to form a new government. On May 13, Nikolić resigned from his post. The parliament confirmed the government on May 15, only 50 minutes before the constitutional deadline. Had this deadline been breached, the president would have been obliged to call new elections. A compromise between DS and DSS was made in such a way that DSS kept the position of prime minister but DS and G17plus got the majority of cabinet ministers.

Nikolić's posting had threatened to undermine Serbia's Chairmanship of the Committee of Ministers of the Council of Europe, which coincidentally began just when Nikolić became Speaker of the Parliament. After his resignation, relations

with the Council of Europe immediately improved, and the 1,000th meeting of the Committee of Ministers of the Council of Europe was held in Belgrade on June 22, 2007.

Following Montenegro's independence, the government used the dissolution of the State Union to focus Serbian public opinion even more closely on the issue of Kosovo's status, though Serbian political players continued to avoid preparing the public for the probable independence of Kosovo. Although the plan for the resolution of the status of Kosovo was prepared by UN envoy Martti Ahtisaari at the end of 2006; its publication was postponed until after the Serbian elections. The Ahtisaari plan envisaged independence for Kosovo, although the word independence was not explicitly mentioned. What gradually became obvious in the first half of 2007 was that Russia was ready to use its veto to block a UN resolution that would lead to Kosovo's independence. At the end of March 2007, the Serbian Prime Minister openly expressed his conviction that Russia would veto Ahtisaari's plan. The plan, in several drafts, met with fierce opposition from Serbian officials.

Finally, negotiations between Belgrade and Pristina were resumed by a team consisting of representatives from the EU, Russia, and the United States. On December 7 the troika submitted a progress report to the UN and concluded that four months of negotiations between Belgrade and Pristina had ended without results. While the American side held that, should negotiations fail, supervised independence should be given to Kosovo, Russia claimed that negotiations should be continued as long as the two sides lacked an agreement. The presidential elections in Serbia were called on December 12 and were scheduled for January 20, 2008.

At the beginning of 2007, six persons were still wanted by the ICTY, and Serbia was held responsible for at least five of them, especially the onetime military leader of the Bosnian Serbs, General Ratko Mladić. Two persons were arrested during 2007: in May, Zdravko Tolimir, a commander in the Bosnian Serb army was arrested, followed by Vlastimir Đorđević, a senior Serbian police officer, in June.

The European Commission postponed negotiations with Serbia on the Stabilization and Association Agreement (SAA) on May 3, 2006, due to Serbia's non-cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY). Within the EU, the Member States disagreed about whether an SAA should be signed with Serbia before Serbia arrests and extradites General Mladić to the ICTY, which is the court's principle demand. Some say ICTY compliance should be a precondition for an SAA, while others favor signing the SAA agreement with Serbia without preconditions related to the ICTY, in a nod to pro-Western leadership within Serbia.

Technical negotiations between Serbia and the EU on the SAA were resumed in June 2007. In July the two sides harmonized the SAA, and the final round of technical negotiations was successfully completed in Brussels in September. However, the signing of the agreement was postponed. On November 6, Chief Prosecutor from The Hague Carla Del Ponte informed EU enlargement commissioner Olli Rehn that "Serbia had made sufficient progress in cooperation with the Tribunal to merit initialing of the agreement," and the Agreement was initialed but not signed on November 7, 2007.

Important agreements with the EU were reached in September 2007, including the signing of Visa Facilitation and Readmission Agreements. These should enter into force on January 1, 2008. Officials in Belgrade expressed their hopes that these agreements would accelerate Serbia's road toward a visa-free regime with EU countries. At the very end of 2007, in an article written for Belgrade daily *Danas*, Rehn concluded: "The year 2008 will be crucial for the European future of Serbia," and said that signing the SAA was "within arm's reach."²

The February 2007 judgment of the International Court of Justice in The Hague (not to be confused with the ICTY) regarding Bosnia and Herzegovina *v.* Serbia and Montenegro stirred great debate among NGOs. It confirmed that the Srebrenica massacre was a case of genocide conducted by Bosnian Serb forces, but rejected claims that genocide was committed everywhere on the territory of Bosnia and Herzegovina. It also stated that Serbia was not directly responsible for the genocide in Srebrenica, but found Serbia was guilty of failing to prevent genocide.

Serbia became a member of the Partnership for Peace at the NATO summit in Riga on November 29, 2006. While the Democratic Party (DS) supports Serbia's future membership in NATO, the Democratic Party of Serbia (DSS) opposes it.

The Exoneration Bill enacted in 2006 was implemented in some key cases in 2007. The law was intended to exonerate victims who were convicted by Communist and other authorities between 1941 and 2006 for political or ideological reasons. Still victims cannot yet demand restitution of confiscated property as a bill on restitution has yet to be enacted.

The 2006 constitution introduced the ombudsperson as a constitutional category. In June 2007, the parliament enacted the Law on supplements to the Law of the Protector of Citizens originally enacted in 2005, and then appointed Saša Janković to be the first Protector of Citizens in Serbia. The office was fully operational by the end of 2007.

Serbia's economy continued to improve. The IMF office in Belgrade recorded relatively low inflation (7.4 percent in September 2007), while economic growth of 6.7 percent was expected in 2007, following a high level of foreign direct investment in 2006. However, the IMF warned Serbia about overly rapid wage and credit growth, which is connected to high trade and current account deficits. Recognition for achievements in this field came from the London-based *Euromoney*, which named minister of economy and former finance minister Mladen Dinkić "Finance minister of the year 2007."

Electoral Process

1999	2001	2002	2003	2004	2005	2006	2007	2008
Y	u	g	o	s	l	a	v	i
a				3.50	3.25	3.25	3.25	3.25

Parliamentary elections were held on January 21, 2007. These were the third elections for the Parliament of Serbia since the pro-democratic revolution in

October 2000, and they were held in accordance with electoral legislation amended in February 2004. The elections were proportional with a minimum threshold of 5 percent. Parties of national minorities had no electoral threshold and could gain a seat in parliament with 0.4 percent of votes (8 seats were won by national minority candidates). Amendments obliged all parties to put forward electoral lists with 30 percent women candidates, although they were not obliged to follow an equal percentage when appointing MPs. The Serbian Parliament had only 30 women, or 12 percent of total MPs, in the period 2003-2006, but this percentage increased to 20.4 percent in 2007. “Pro-democratic” parties won 145 seats (DS—64, DSS—47, G17plus—19, and the coalition headed by LDP—15); while parties of the former regime of Slobodan Milošević won 97 seats (SRS—81 and SPS—16).

Table 1.
Results of the January 2007 Elections for the Parliament of Serbia

Political Party	Popular Votes	Number of MPs
Ruling Coalition		
Democratic Party (DS)	915,854	64
Democratic Party of Serbia—New Serbia (DSS/NS)	667,615	47
G17plus	275,041	19
Coalition List for Sanjak*	33,823	2
TOTAL	1,892,333	132
Others		
Serbian Radical Party (SRS)	1,153,453	81
Socialist Party of Serbia (SPS)	227,580	16
Coalition headed by the Liberal Democratic Party (LDP)	214,262	15
Union of Hungarians of Vojvodina*	52,510	3
Coalition of Albanians of the Presevo Valley*	16,973	1
Union of Roma of Serbia*	17,128	1
Roma Party*	14,631	1
TOTAL	1,664,778	116

* Parties of national minorities

The leading Serbian NGO for monitoring elections, the Center for Free Elections and Democracy (CeSID), supervised 5,000 polling places and reported that “the elections were mainly conducted in accordance with rules, democratic standards, and principles.” Elections were observed by a range of foreign observers including OSCE and the Council of Europe who assessed them as free. In the municipality of Presevo in southern Serbia, CeSID recorded violations of election rules and noted overall some remaining problems, primary among them: insufficient mechanisms for controlling campaign financing. Although the State Register of Voters was improved since 2001, it also remained a problem since many voters who left the country or even died abroad are still in the list, and voters who have changed their place of residence are often registered at their former addresses.

Almost all 250 MPs followed the orders of their parties in 2007, an effect of “pre-submitted” or “envelope” resignations. This means that an MP at the beginning of his/her tenure may be asked by his/her political party to sign a resignation, which the party keeps on file and may produce whenever it wishes to rid itself of a problematic MP. This practice was instituted in 2006 as a reaction to an earlier state of affairs, when some MPs were ready to sell their party allegiance. Proponents of “envelope resignations” claimed that it was better to restrict MP freedoms in decision-making rather than permit an open market on votes in the parliament.

Civil Society

1999	2001	2002	2003	2004	2005	2006	2007	2008
Y	u	g	o	s	l	a	v	i
a	v	i	a	2.75	2.75	2.75	2.75	2.75

In October, the government of Serbia adopted a version of the Law on Associations, which was not yet accepted by the parliament by the end of 2007. The draft law was well received in the Serbian NGO community, since it aimed to introduce European standards in the field. In 2007, NGOs tried but failed to prevent the imposition of a 5-percent tax on donations to NGOs.

Demonstrating the civil sector’s vibrancy, in 2007 a group of leading NGOs hotly debated the continuation of SAA negotiations and called on the EU not to continue until persons indicted by the ICTY were transferred to The Hague. Another group of NGOs issued a different appeal claiming that it was precisely the continuation of negotiations between Serbia and the EU that would facilitate the full cooperation of the Serbian government with the ICTY.

Neo-Nazi groups continued to be active in Serbia during the year and tried to organize an October march in Novi Sad with foreign neo-Nazis groups. The application to march, submitted to the police by Goran Davidović of the Serbian branch of National Storm, was rejected. Key political parties in Serbia, including the mayor of Novi Sad from SRS, condemned the march. Numerous NGOs and liberal and social-democratic political parties organized an anti-fascist rally in Novi

Sad on the same day. Davidović and members of his group heckled the anti-fascist marchers and were arrested.

Serbian Ombudsman Saša Janković expressed concern (in a press release on the 60th anniversary of the International Human Rights Day in December 2007) that in Serbia “there is still no culture of respect of human rights, and consideration and tolerance for differences of everyone with no exception”.³ He also pointed out that excesses are still present that affect freedom of speech. An important example of these tendencies—widely commented on and covered by the media—was the disruption of programming and cancellation of events of the popular B92 radio show *Peščanik* (Hourglass).

Peščanik, run by two prominent Serbian journalists Svetlana Lukić and Svetlana Vuković, is known for its criticism of the government, especially of Prime Minister Koštunica. Strong opposition to events to promote the show and related publications led to a series of confrontations, cancellations, and protests. In the provincial town of Arandjelovac the director of the local cultural center cancelled a panel discussion intended to launch a publication of the program. The local TV station *Šumadija*, in a special broadcast, urged the public to turn out and protest the release of a *Peščanik* publication. Physical clashes and a barrage of insults resulted when several dozen supporters from nationalist political parties forcibly broke up a promotion at Arandjelovac’s House of Culture.⁴ The president in the municipality of Topola (from the governing party New Serbia) organized around 200 protestors who entered the town center and prevented the panel discussion from taking place.⁵ Svetlana Lukić said that the problem is that in many provincial areas of Serbia “local political parties took full control of everything and there is now limited space for liberal views.”⁶

Not only in the provinces, but also in the Parliament of Serbia an incident took place. On November 14, inside the hall of the Parliament of Serbia, opposition SRS MPs were selling copies of a book entitled *Afera Hrtkovici i Ustaška Kurva Nataša Kandić* [Hrtkovci Affair and Ustasha Whore Nataša Kandić]. After the intervention by the speaker of the parliament they stopped selling it but continued to distribute it. This book has been written by the leader of SRS Vojislav Šešelj (currently tried for crimes by the Hague Tribunal), and the aim of the book has been to attack and offend Nataša Kandić, executive director of the Humanitarian Law Center in Belgrade. Additionally to this incident, MPs of SRS often misused discussions in the Parliament throughout 2007 to attack various public figures of liberal orientation in Serbia.

In November, after campaigning by student groups, the post-validation of “basic studies” diplomas converting them into master degrees was approved after some hesitation by the parliament. However, the University of Belgrade opposes post-validation and has announced that it will only implement the decision with numerous restrictions.

Associations advocating property restitution were active in 2007. After many years of hesitation, the state finally proposed a draft Law on Denationalization in September that gives advantage to natural restitution of private property confiscated

in communist regimes. But it also allows substitution of property where possible, and monetary compensation where the first two possibilities are not applicable. Serbia remains the only post-communist country in the region that has yet to enact a law on the restitution of nationalized private property. During 2007, the Agency for Privatization continued to sell real estate that had been nationalized during the period of Communism despite the fact that previous legal owners or their heirs were officially registered in 2005–2006 in accordance with the Law on the Registration of Confiscated Property. These violations roused the European Parliament, which called on Serbian authorities to adopt restitution laws “as a matter of urgency.”

Independent Media

1999	2001	2002	2003	2004	2005	2006	2007	2008
Y	u	g	o	s	l	a	v	i
a				3.50	3.25	3.25	3.50	3.75

Serbian media represent a diverse range of opinions, but among print outlets, tabloids have dominated journalism for years. The most popular are the soft tabloids *Vecernje Novosti* (pro-government) and *Blic*, followed by the hardcore tabloids *Kurir* and *Press*. The hardcore tabloids have a tendency to publish sensationalistic articles that are light on facts (or omit them completely). The moderately pro-government *Politika* has no competition among quality dailies, while the liberal *Danas*, the provincial Novi Sad *Dnevnik*, and *Privredni Pregled* (an economic paper) have much smaller circulation. All leading newspapers are private with the exception of *Politika*, half of which is owned by the German Westdeutsche Allgemeine Zeitung (WAZ) and half by the state.

The leading quality weeklies are the conservative *NIN* and the liberal journal *Vreme*. The role of WAZ was a subject of debate in Serbia in 2007. The main distribution network of kiosks in Serbia is half owned by WAZ and half owned by a controversial Serbian tycoon, Stanko Subotić. In June, Serbian police announced that Subotić was on the list of individuals accused of smuggling cigarettes and issued a warrant for his arrest, but he happened to be outside of Serbia at the time.

Television remains the most influential among Serbian media. A survey conducted by Strategic Marketing Research in April 2007 found that 83 percent of respondents relied on television as their main source of information. The most important TV stations are: the state-owned Radio Television of Serbia (37 percent); and the privately-owned TV B92 (24 percent), and TV Pink (18 percent). Only 8 percent of respondents said their main source of information was print dailies, while 4 percent named radio. Respondents had the highest confidence in TV 92 (47 percent), followed by TV Pink (36 percent) and RTS (35 percent). Among print media, *Vecernje Novosti* (33 percent) and *Blic* (31 percent) recorded the highest confidence, followed by *Politika* (24 percent). Among radio stations, the highest confidence was given to Radio B92 (22 percent), closely followed by the state-controlled Radio Belgrade 1 (19 percent).

The same survey found that 56 percent believed that journalism is an important profession, while 11 percent believed it is not important. At the same time, only 41 percent of respondents believed that journalists were well paid, and 37 percent believed that journalists were corrupt. For Serbia's roughly 8,000 journalists, this was a very positive ranking in comparison with perceptions of corruption regarding politicians (85 percent) and judges (75 percent).

In 2007, the Serbian Radical Party and the Socialist Party of Serbia insisted that Radio Television of Serbia (RTS) broadcast parliamentary sessions in their entirety on the television's second channel. The director of RTS opposed this, but the Republic Broadcasting Agency (RBA) issued a general binding instruction in September obliging RTS to broadcast all regular parliamentary sessions (a win for the Serbian Radical Party). Since RBA members have a reputation of being close to the Democratic Party of Serbia, the decision was seen as a concession made by the Prime Minister to the Serbian Radical Party.

Another dilemma appeared over whether RTS should directly broadcast the ICTY war crimes trial of Vojislav Šešelj, who is indicted for war crimes and crimes against humanity by the ICTY but is also still the president of the Serbian Radical Party, the largest party in the Serbian Parliament. Slobodan Milošević and Vojislav Šešelj (both lawyers by profession) refused to have barristers at the Hague tribunal and were allowed by the Tribunal to defend themselves personally. Therefore SRS and Vojislav Šešelj have seen a possibility to promote their own party policies through direct broadcasts of Šešelj trials. During 2007, the SRS collected more than 700,000 signatures on a petition demanding that RTS provide simultaneous broadcast of the entire trial, and said the party believed that broadcasts of the trial would increase its popularity and strengthen public distaste with the ICTY. RTS demanded an opinion on the broadcast of the trial from RBA, but the agency declined to make a decision and left the matter up to RTS, which decided to broadcast extensive excerpts of Šešelj's prosecution.

In the early hours of April 14, a bomb exploded in the apartment of Dejan Anastasijević, a leading journalist from the liberal weekly *Vreme*. A second (unexploded) bomb was later found in the apartment. Anastasijević is known for his coverage of war crimes and criminal activities in Serbia, and he indirectly accused two persons indicted by ICTY for the attack: Vojislav Šešelj, leader of SRS, and Jovica Stanišić, former chief of the Serbian secret police during the Milošević era, who is on trial at the ICTY. Anastasijević claimed that Šešelj had prepared a list of potential witnesses who should be intimidated or eliminated, including himself.⁷ By year end, no perpetrators for the bombing were found. This incident illustrates that a pattern used during Milošević's era of intimidating journalists by attacks—and even murders—is still used. Moreover, the murder of an influential journalist, Slavko Ćuruvija, which was committed in 1999, still was not resolved by the police by the end of 2007.

On International Human Rights Day in December 2007, Serbian ombudsman Saša Janković noted that there were still issues that affect freedom of speech in Serbia. Svetlana Lukić, a prominent Serbian journalist critical of the Koštunica

government, claims that in many provincial areas of the country “local political parties [have taken] full control of everything and there is now limited space for liberal views.”⁸

However, coverage of the issue of Kosovo’s status in quality dailies and weeklies and in major digital media provided a range of opposite views. The positions of the major international powers were presented accurately, often more accurately than by Serbian politicians. Outside the quality press, the issues were presented quite differently, with nationalistic views and jingoism predominating.

In its annual index of press freedoms, Reporters Without Borders ranked Serbia 67 among 169 countries surveyed in 2007, a significant step backwards compared to Serbia’s ranking of 48 in 2006.

Local Democratic Governance

1999	2001	2002	2003	2004	2005	2006	2007	2008	
Y	u	g	o	s	l	a	v	i	a
				n/a	3.75	3.75	3.75	3.75	

For most Serbian political parties, decentralization was one of the key slogans in the electoral campaigns of 2003 and 2007. Minister of Public Administration and Local Self-Government, Milan Marković, called decentralization a priority and identified the instability of local self-government and the over-politicization and lack of professionalism in local bureaucracies as the main obstacles to decentralization in Serbia.

Decentralization in Serbia remains an issue because of the autonomous province of Vojvodina, as well as Kosovo, which came under UN rule in 1999. The 2006 constitution permits the formation of new autonomous provinces, but there were no serious discussions about this in 2007. There was much more debate over which towns in Serbia should receive the legal status of cities. At the end of 2007, a total of 23 municipalities received the status of cities but with only one additional competence, that of communal police.

A construction concession for a major highway through Vojvodina produced open conflict between the Speaker of Parliament of Vojvodina, Bojan Kostreš, and the Minister for Capital Investments in the government of Serbia, Velimir Ilić. Kostreš demanded the cancellation of a concession agreement signed with the consortium FCC and Alpina. When Kostreš was denied access to the contract, he took legal action, but Minister Ilić defied his appeals, and it was several months before the contract was made public. The Executive Council of Vojvodina formed its own Commission for Concessions in August, which determined that Vojvodina should receive compensation of €220 million (US\$342 million). No agreement was reached by year’s end.

The organization of elections was another problem at the local level, with DS favoring majority elections and DSS advocating for proportional elections. The consequence of proportional elections has been that local parties are able to “smuggle” names onto the list, since voters vote for parties, not for individuals.

Also, rural areas tend not to be represented in the proportional system, which privileges local councilors, elected based on party loyalties. At the end of 2007, the Law of Local Elections instituted the proportional system, which is likely to worsen local democratic governance in Serbia in the future. On a more positive note, municipalities demanded the transfer to municipal control of local property (now owned by the state). The major political parties agreed with this initiative, which may transfer property to municipalities as soon as 2008.

In 2007 the two municipalities in southern Serbia with an Albanian majority (Presevo and Bujanovac) remained relatively stable. However, the situation in the southwestern Sandzak region has proven to be very fragile. Sandzak consists of 6 municipalities, and there is also a part of Sandzak in northern Montenegro. Bosniaks make up the majority of the local population in three municipalities in the Serbian part of Sandzak (Sjenica, Tutin and Novi Pazar). There are two Bosniak parties in this region of Serbia: the liberal Sanjak Democratic Party (SDP), an ally of President Tadić since 2005, and the Conservative Party of Democratic Action (SDA), headed by Sulejman Ugljanin, ally of PM Koštunica since 2004. A conflict between these parties has bitterly divided Bosniaks in the region and has led to incidents and fights.

The situation in Sandzak was further complicated by the emergence of Wahabis, a group of Islamists who were arrested on March 17 in their camp near Novi Pazar. Serbian police found large quantities of ammunition in the camp. On September 14, fifteen arrested members of the group were charged with terrorism, and their trial is expected to take place in 2008. This group has been in conflict with local Islamic leaders but has not been connected to either of the two Sandzak parties.

On December 29, 2007, the Serbian parliament adopted four laws: the Law on Local Self-Government, the Law on Local Elections, the Law on the Capital City, and the Law on the Territorial Organization of the Republic Serbia. As a result, mayors will no longer be directly elected, but chosen by local councils. The reasons behind this change are that political parties were not able to control some mayors and some parties wished to prevent independent candidates from winning local elections. Moreover, the Law on Local Elections (article 47) now permits “envelope resignations,” which is likely to strengthen party loyalty at the local level. These newly adopted laws may worsen local democratic governance in the future, particularly after the local elections scheduled for May 11, 2008.

Judicial Framework and Independence

1999	2001	2002	2003	2004	2005	2006	2007	2008
Y u g o s l a v i a				4.25	4.25	4.25	4.25	4.50

The Serbian constitution of 2006 redefined important elements of the judicial framework. An important novelty is that the tenure of judges is no longer unlimited. Every judge is now elected for a period of three years by the Serbian Parliament on

the proposal of the High Judicial Council. After the first tenure of three years, the High Judicial Council may appoint the same person to be a permanent judge of the same or higher court (article 147). It is still not clear how this procedure will be implemented.

The Constitutional Court of Serbia, a nine-person body defined by the Constitution of 1990, ceased to operate on October 10, 2006, when its president retired. The old court could not perform since it had no quorum and no president, and a new one with fifteen judges was not appointed for more than a year. This meant that Serbia was without an authority capable of judging the constitutionality of laws for more than fourteen months.

The government submitted the Law on the Constitutional Court to the parliament on October 5, 2007, and the law was enacted on November 24. In accordance with the constitution, five judges were appointed by the parliament on November 24, and five were appointed by the president on December 7. Thus a legal quorum for sessions was obtained. The Constitutional Court finally became operational on December 26, when the president of the court was elected. The long delay arose from the inability of the ruling political parties to make a deal on who would be appointed to the court. Needless to say, the party inclinations of future judges played an important role in determining who would fill these important positions.

The Ministry of Justice announced in September that it had started to work on the Law on Confiscation of Property obtained through Criminal Acts. This law should cover a wide range of cases, including organized crime, crimes against humanity, and corruption, which is a serious problem within the Serbian judicial system.

The Minister of Justice initiated an investigation of the conduct of judges of the District Court and the Supreme Court after they missed the deadline to bring a judgment in a child abuse case against a Serbian Orthodox monk. The Grand Personnel Council of the Supreme Court suggested that parliament remove two judges from the Supreme Court for their neglect in the case. If parliament accepts this suggestion in 2008, it will be the first instance in which judges of the Supreme Court have been dismissed for neglecting their duties.

On May 23, and despite ongoing reports of political interference in the work of prosecutors, the verdict was delivered in the former Prime Minister Zoran Đinđić assassination trial. Human Rights Watch commended prosecutors and judges, saying they “demonstrated the courage to bring 12 individuals to justice despite political pressure.” The most prominent person among the accused, leader of the Zemun Clan, Milorad Luković Ulemek (Legija), was sentenced to 40 years in prison. Đinđić was assassinated in 2003.

Overall, the Serbian judiciary is inefficient, and disputing parties must often wait for years until judgments are brought and enforced. Yet in 2007 the making and enforcement of judgments was more closely analyzed by the Ministry of Justice than ever before. Mediation has also gained some ground, facilitating the work of courts. The new Criminal Procedure Code came fully into effect on June 1, 2007.

Consequently, criminal cases are bringing quicker verdicts, but civil procedures remain unsatisfactorily long, particularly in so-called old cases. These are cases that have been before the courts for years, sometimes over a decade, with no judgment issued.

Corruption

1999	2001	2002	2003	2004	2005	2006	2007	2008
Y u g o s l a v i a				5.00	5.00	4.75	4.50	4.50

Corruption remains one of the primary problems in Serbia's transition. In 2007, the main corruption debates focused on the question of monopolies. The Anti-corruption Council spent much time disputing the sale of C Market, a major retailer purchased by Delta Holding through the Cyprus-based Hemslade Trading Ltd. Hemslade is the owner of several other leading retailers in Serbia and is owned by a leading Serbian tycoon Miroslav Mišković, who was Deputy Prime Minister of Serbia during the Milošević years.

The president of the council, Verica Barać, delivered an October report on C Market claiming that the sale indicates a clear case of corruption. In an allusion to Mišković, Barać pointed out that if an individual has great wealth, political factors "will endeavor to meet his demands."¹⁰ In an obvious reference to this report, Minister of Trade, Predrag Bubalo, declared that he could not support those who give "unfounded estimates" that there were monopolies in Serbia. Mišković struck back by filing a law-suit against Verica Barać on November 5.

However, Barać replied that the Commission for the Protection of Competition has still not completed its procedures for permitting the merger of C Market and Delta Holding.¹¹ The Commission for the Protection of Competition rejected the demand for the merger on July 10, 2006, but the Supreme Court cancelled this decision due to procedural reasons. The Commission again rejected the merger on November 26, 2007, claiming that the merger of three supermarket chains owned by Hemslade Trading Ltd. covered 55.5 percent of all consumer purchases in Belgrade, of which C Market alone had 32 percent.¹² A decision by the Supreme Court of Serbia is expected in 2008.

Concerns over the role of Delta Holding were also voiced by politicians, particularly the Liberal-Democratic Party. In September 2007, MPs from this party accused Mišković of being "the leader of the cigarette mafia" and demanded his arrest. In the 1990s, Serbia was one of the major sources of cigarettes smuggled into Western Europe. On June 7, the police arrested eight suspects in an operation referred to as a "network," although the main suspect, Stanko Subotić, could not be apprehended since he was in Switzerland.

A study entitled *Corruption in Serbia: Five years later* estimated that indirect government policies were "mildly positive." The reduction of corruption over the

previous seven years had been fostered by foreign trade liberalization, the reform of public finances, and liberalization in general. On the other hand, no major improvement resulted from direct policies of the government, which is attributed to a lack of political will. For this reason the Minister of Economy Mladen Dinkić announced plans to introduce a new set of anticorruption laws that may be of great importance.

In November 2007, the parliament ratified the Civil Law Convention on Corruption enacted by the Council of Europe in 1999 and the Additional Protocol to the Criminal Law Convention on Corruption adopted by the Council of Europe in 2000. Serbia made further advances in Transparency International's Corruption Perceptions Index, moving from a score of 2.8 in 2005, to 3.0 in 2006, and 3.4 in 2007, on a 0–10 scale where 10 indicates the lowest level of corruption.

■ AUTHOR: SLOBODAN MARKOVICH

Slobodan Markovich is Assistant Professor at the Faculty of Political Science, University of Belgrade, and Advisor at the Belgrade Fund for Political Excellence.

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- ¹ International Court of Justice, Press Release 2007/8, "The Court finds that Serbia has violated its obligation under the Genocide Convention to prevent genocide in Srebrenica and that it has also violated its obligations under the Convention by having failed fully to co-operate with the International Criminal Tribunal for the former Yugoslavia (ICTY)," February 26, 2007, <http://www.icj-cij.org/docket/index.php?pr=1897&code=bhy&p1=3&p2=3&p3=6&case=91&k=f4>.
 - ² Oli Ren, "Zajednički cilj vredan je svih napora" [A Common Goal is Worthy of All Efforts], *Danas*, December 30, 2007, <http://www.danas.co.yu/20071231/vikend1.html#0> (Rehn's spelling is not a mistake. Serbs transliterate names even in Latin script. So, Rehn's name has been spelled here as in the original article that has been published in Serbian in Latin script.)
 - ³ Press release of Serbian Ombudsperson Saša Janković on the occasion of the Day of Human Rights, December 20, 2007.
 - ⁴ "Protestors Disrupt B92 Radio Program," B92, December 4, 2007, http://www.b92.net/eng/news/society-article.php?yyyy=2007&mm=12&dd=04&nav_id=45918.
 - ⁵ "Sprečena promocija 'Peščanika'" [The Special Promotion of Pescanik], B92, December 3, 2007, http://www.b92.net/info/vesti/index.php?yyyy=2007&mm=12&dd=03&nav_category=11&nav_id=274916.
 - ⁶ From an author interview with Svetlana Lukić, editor of a popular radio-show Pescanik known for its criticism of the policies of Prime Minister Koštunica, conducted on January 31, 2008.
 - ⁷ Dejan Anastasijević, "Ko mi je stavio bombe na prozor" [Who Placed Bombs Under My Window], *Vreme*, no. 876, October 18, 2007, <http://www.vreme.com/cms/view.php?id=516408>.

- ⁸ From an author interview with Svetlana Lukić, editor of a popular radio-show *Pescanik* known for its criticism of the policies of Prime Minister Koštunica, conducted in Belgrade on January 31, 2008. Lukić encountered various barriers in her efforts to present her radio-show in many Serbian provincial places.
- ⁹ Serbia Events of 2007 in the World Report 2008, Human Rights Watch, <http://hrw.org/englishwr2k8/docs/2008/01/31/serbia17679.htm>.
- ¹⁰ Verica Barac "Izveštaj o C marketu" [A Report on C Market], Savet za borbu protiv korupcije (the web-site of the Anti-Corruption Council), October 12, 2007, <http://www.antikorupcija-savet.sr.gov.yu/view.jsp?articleId=545>.
- ¹¹ *Politika*, November 11, 2007.
- ¹² The decision of the Commission for the Protection of Competition [Komisija za zastitu konkurencije], No. 6/0-02-138/07-15, brought on November 26, 2007, <http://www.kzk.org.yu/download/DELTA-%20resenje%20u%20ponovnom%20postupku.doc>.