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ACHIEVEMENTS AND FAILURES OF DEMOCRATIC GOVERNMENTS IN SERBIA AFTER 2000

Summary

In the article “Achievements and Failures of Democratic Governments in Serbia” Dr Pribicevic analyzed transition in Serbia after 2000. As a greatest achievements he pointed out that democracy become “only game in the town”, that political killings were stopped, that Serbia again become part of world and european community and that standard of living has improved. On the other side, Dr Pribicevic underlined slow EU integration process, joblessness, corruption and organized crime as a greatest challenges for new democratic governments in Serbia after 2000. His conclusion is that only through the concrete process of acceding to the EU Serbia will be able to reach a certain level of standards and accept EU values and rules of behavior. Without fast concrete steps towards EU Serbia will continue to be preoccupied with its own past and myths.

Key words: Europe, the European Union, Serbia, achievements and failures of Democratic Governments.

After ten years of fighting Slobodan Milosevic’s authoritarian regime, the people of Serbia finally overthrew him on October 5, 2000. They were expecting that pretty soon Serbia would soon join the EU, that the economy would flourish, that the standard of living would be higher and unemployment lower. Ten years on, Serbia is not even a candidate for EU membership. Serbia did not hand over General Ratko Mladic to the Hague Tribunal. The standard of living - with the average salary standing at 300 Euros - ranks amongst the lowest in Europe. The problems are obviously much bigger and deeper than many could have even imagined ten years ago. Serbia with its history, problems with Ko-

sovo and Metohija and its own tradition was the framework in which the post-2000 changes took place.

In this article I will firstly outline the positive achievements since 2000. Then I will present the main failures and go on to explain why reforms have been so slow. Why is Serbia lagging behind many other countries in transition?

Before outlining the positive achievements let's start by giving a brief overview of what has happened in Serbia in the decade behind us. Serbia has over the past decade witnessed constant fighting between the parties of the so-called democratic bloc. The main problem was that the two leading politicians who had replaced Milosevic, Serbian Prime Minister Zoran Djindjic and Yugoslav President Vojislav Kostunica, spent the vast majority of their time in an exhausting political conflict instead of trying to reform the state structures, the judiciary, police, army, education, health system. None of Serbia's chief institutions were working properly – the parliament was blocked, the National Bank Governor was sacked and the new one was not properly appointed; presidential elections were obstructed three times in a row and Serbia had no President for quite some time. Furthermore, Prime Minister Zoran Djindjic was assassinated in March 2003.

During last decade Montenegro left the Union with Serbia and became independent in June 2006. Serbian south province Kosovo proclaimed its own independency in 2008. Kosovo is a particularly painful issue since it is considered to be the cultural and religious heart of Serbia. As opposed to the success stories of some other transition countries like Slovenia, Hungary, the Czech Republic, which were taking big strides towards the EU and NATO, the new authorities in Serbia had to address the problems of the past. The new democratically elected governments had to deal with Kosovo and Metohija, the breakup of the Union of Serbia and Montenegro, Slobodan Milosevic's handover to the ICTY. They still have to find and hand over Bosnian Serb General Ratko Mladic indicted for war crimes.

If one also takes into account the 1990s, during which Serbia went through wars, sanctions, poverty, hyperinflation, NATO air strikes, the devastation of its economy and a massive brain drain of its young and well educated people, it is not difficult to understand why Serbia is still lagging behind some other former Yugoslav states in EU integration. Not to mention countries like Hungary, Poland or Slovakia, which were far behind Serbia only twenty years ago.

Now, I will try to answer the question : what were the achievements of October 5th 2000? The most important one is that democ-

racy, to quote Linz's famous phrase, has become the "only game in the town". That means that governments peacefully step down after losing elections – this is exactly what happened in early 2004, when Zoran Djindjic's DOS Government was replaced by Kostunica's. Furthermore, there have been no more political assassinations. The Milosevic regime had caused the death of thousands of people in the wars in the nineties and killed a number of political opponents, including Former Serbian President Ivan Stambolic, four members of Vuk Draskovic's Serbian Renewal Movement during an attempt to assassinate him on the Ibar Road, journalist Curuvija and many others. Prime Minister Zoran Djindjic was also killed but by organized crime members and remnants of Milosevic's security structures.

Second, the standard of living has improved. The improvement is radical and obvious when one compares the last years of Milosevic's regime, when salaries averaged around 20 DM, and today's average salary of around 300 Euros. Many professionals, doctors, solicitors, managers, engineers earn 1000 Euro a month or more. After two decades, a great number of people are again able to draw credits and buy flats, cars, furniture. The problem is that many people still cannot afford new cars, new furniture or a holiday out of town.

The fact that living standards have improved in Serbia notwithstanding all the problems is substantiated by a number of public opinion surveys clearly showing that the situation has changed. According to a Medium Gallup September 2008 survey, Serbian society increasingly resembles the positive trends in transition countries. For example, 1.3% of the respondents defined themselves as upper class, 14.1% as upper middle class, 26.4% as lower middle class, 37.7% as working class and 15.5% as lower class. Moreover, as a Strategic Marketing survey shows, over 47% of the citizens think that Serbia is heading in the right direction and fewer, 38% , disagree.¹⁾ These percentages not only demonstrate that optimism prevails amongst Serbian citizens, but that the economic situation is improving as well.

After Milosevic was overthrown, Yugoslavia (later on Serbia and Montenegro and then Serbia) rejoined the UN and other international institutions, including the Council of Europe and OSCE, and opened its borders with the neighboring countries. The national currency, the Dinar, is relatively stable and inflation does not exceed 10%. Serbia applied for membership in the Partnership for Peace program and is on the road to the EU.

1) S. Logar, "Value Orientations of Voters and Abstainers", in *Birači i apstinenti u Srbiji* (Voters and Abstainers in Serbia), 2007 Friedrich Ebert Stiftung, p 93.

Milosevic was extradited to the ICTY and a new Law on cooperation with the Tribunal was adopted in April 2002.

Furthermore, large companies manufacturing cement, beer, sugar, iron, telecommunication, cigarette businesses, media have been sold to foreign investors and have restarted production. Foreign companies have again appeared in Serbia. The largest state banks, such as *Udruzena beogradska banka*, *Beogradska banka*, *Jugobanka* and *Invest banka*, have been closed and numerous foreign banks from Austria, Greece, Italy entered the Serbian market.

Milosevic's laws stifling media and university freedoms were abolished. Serbia joined in the new Bologna education process. The Serbian Parliament voted a new Constitution in 2007, replacing Milosevic's.

These are the main achievements of 5th October. What are the main failures of the post-2000 democratically elected governments? First and foremost, the EU integration process is too slow and the new political elite has failed to fulfill one of its main promises made in 2000 - membership in the EU. Serbia is still waiting to get the SAA (Stabilization and Association Agreement), which is prerequisite for obtaining the status of candidate state. Problems in cooperation with the ICTY, i.e. the extradition of war crime indictee Mladic is the chief reason why Serbia is still far from EU membership.

Second, a great number of people are still dissatisfied with their living standards although the economic situation has improved. Serbia's citizens had expected a better life if not immediately after Milosevic's downfall, then within a couple of years. Like citizens in all post communist countries, their expectations were too high, and then, when their hopes were not fulfilled, they became totally disappointed.²⁾ Unfortunately, many of them are dissatisfied with their lives with good reason. After the revolutionary changes in 2000, a lot of people lost their jobs but new ones were not created. The prices of electricity, rent and public utilities have risen more than five or six times. Prices have almost reached Western standards but the average salaries stand at only around 300 Euro (according to official data, the average salary in Serbia is 32,500 Dinars i.e. around 300 Euros).³⁾

One of the gravest problems is joblessness, with the unemployment rate now exceeding 20%. According to official data, it stood at 18% in 2008.⁴⁾ The situation is especially difficult in the rural com-

2) R. Dahrendorf, *Reflections on the Revolution in Europe*, Chato and Windus, London 1990.

3) *Blic*, Belgrade, May 25, 2009.

4) *Business magazine*, Belgrade, May 4, 2009.

munities, where more and more people have been literally starving. The biggest problem is faced by workers who have lost their jobs but have no prospect of finding new employment. The worst situation is in towns like Bor, Negotin, Kragujevac, Valjevo, with big old socialist factories, which are not working, and there are no new private initiatives that would create jobs for the redundant workers.

Serbian transition looks even gloomier when compared with that in some of the neighboring countries. For example, Serbia's GNP rose from 13 to 33 billion Euros in the period. In Croatia, with a population 40% smaller than that of Serbia, the GNP rose from 25 to 48 billion Euros. In Hungary, with 35% more residents than Serbia, the GNP rose from 60 to 105 billion Euros. Serbian exports amounting to 11 billion are still the lowest in the region. All in all, despite all its efforts, Serbia has been unable to make up for the time lost in the nineties or even reach the level it attained in 1990. Its GNP is still 20% lower than it was in 1990, before the war started. Its industrial production is half of what used to be in 1990.⁵⁾

Last but not the least, notwithstanding all government endeavors, Serbia is still grappling with corruption and, to a less degree, with organized crime. Corruption is not only "eating the society from the inside" but also turning away foreign investors since they do not know what they can expect when they enter a foreign country with a high level of corruption. With 3.4 points, Serbia ranks 85th on Transparency International's Corruption Perceptions Index of 180 countries in 2008.

Truth be told, Serbia was one of the worst countries in the world in terms of corruption back in 2000, when it scored only 1.3 points on the Index. Over the recent years Serbia achieved some results in fighting organized crime and corruption. A number of criminal groups have been arrested, especially during the campaign after the assassination of Prime Minister Zoran Djindjic. The people who assassinated him (Lukovic, Spasojevic) were killed or arrested and sentenced by court. Police are investigating a number of cases of corruption in the medical profession, courts, sports and university. Suspected have been arrested, among them some prominent professors and doctors as well as solicitors. The police are also investigating the most popular Serbian soccer player ever and most popular folk singer suspected of pocketing millions from transfers of soccer players to Western teams in the 1990s and early 2000s. Zrenjanin mayor and member of the ruling Democratic Party Goran Knezevic was arrested on suspicion of corruption in late

5) *Politika*, Belgrade, June 21, 2009

2008. In June 2009, the police arrested the Mayor of another Serbian town, also suspected of corruption.

At the beginning of the 2010 Serbian police launched action against the big gang of criminals who were smuggling drugs from Latin America to Europe.

Serbian President Tadic at a recent convention of his Democratic Party, said that all political parties as well as many other professions in society were deeply embroiled in corruption, vowing that: "Serbia is tackling corruption and we will win this battle".⁶⁾ His following statement is very important: "Only with this fight will we be able to create a different system of values in Serbia". But Serbia still has a long way to go to attain European standards in combating corruption and organized crime.

Now I will try to answer the question why Serbia during its transition achieved not as much as its citizens had expected after 2000?

Herewith several possible explanations. One of the main reasons was the constant quarreling within the former democratic opposition and subsequently ruling parties in Serbia. Ever since they were established in the late eighties and early nineties, the democratically oriented parties spent the following twenty years fighting and quarreling amongst themselves. They united only twice, in 1996 and 2000; the latter accord lasted less than three years. They beat Milosevic twice during these respites (in 1996, when they won the local elections and in 2000, when they won the federal presidential and parliamentary elections). By spending the remaining twelve years in opposition and disunity, they allowed Milosevic to wreak havoc across the country.⁷⁾ After they assumed power in 2000 they continued with their old habits as I already mentioned at the beginning of this article. The political stand-off between Djindjic and Kostunica slowed down reforms in all segments of society, including the security sector. On the other hand, these slow reforms in security sector have greatly contributed to Serbia's inability to extradite Mladic, which has in turn directly impacted on its progress towards the EU.

More importantly, the stand-off between Djindjic and Kostunica has obstructed Serbia's break with its past. The political elite had not had enough strength to confront its own public with the crimes the Milosevic regime committed in the nineties. Also, most people still do not have impression that Milosevic lost all the wars he waged, including

6) *Blic*, Belgrade, May 31, 2009

7) See more in my book *Vlast i opozicija u Srbiji* (Power and Opposition in Serbia) published in 1997 by B92, Belgrade.

the last one against NATO in 1999. Finally, this failure to make a clean break with the previous regime has deprived a great many people of the opportunity to learn why values such as state of law, protection of minorities, human rights are important for society. Some of them still do not understand that the fight against Milosevic was a fight between an authoritarian society, which committed crimes against its own people and people living in neighboring countries, and another democratic society based on democracy, civil society, market economy. What may, however, prove to be the most dangerous is that the young generations do not have the opportunity to learn enough from the mistakes made in the past – simply, the majority of youngsters do not have a clear idea about what the Milosevic regime had really done to all the people in the region in the nineties.

Second, the post-2000 governments have not had the strength and political will to launch the necessary reforms in the public sector. Pensions are still paid from the budget and account for much of the budget deficit. The health system is at the 1970s level. Education was destroyed during the Milosevic regime and has not recovered yet. Restitution of seized property has not been carried out yet.

Last but not the least, despite all its good will, the EU has not demonstrated enough understanding for Serbian problems. Preoccupied with its own problems, the West has not paid too much attention to the fact that the case of Serbia as well as other former Yugoslav countries differs from that of other post-communist countries. That it is not the same to deal with Poland or Hungary, which were hardly waiting to disassociate themselves from Russia, and Serbia on the other hand. The West has not paid enough attention to the fact that Serbia is a deeply divided and traumatized society which can be reformed only by making progress in EU integration and approaching its standards, not by constant conditioning.

It is very important to say that despite all these problems, Serbia got a government with clear pro European and pro reformist mandate in 2008, for the first time since 2000. President Tadic first won the presidential elections in February 2008 in a run-off against Radical Party candidate Tomislav Nikolic and later, in May 2008, pro-European parties won the parliamentary elections. And just as everyone expected Serbia to get on the fast track to Europe, a financial and economic crisis erupted in the whole world and everything has again been postponed. The growth rate of Serbia's economy slowed down, foreign investors froze their investments (Italian car manufacturer Fiat, for example), the Dinar devalued against the Euro. People in Serbia again started losing their jobs and the salaries went down.

Another issue impacting on Serbia and its headway is the apparent delay in future EU enlargement. Three reasons caused this slowdown. First, the feelings among old EU member-states started to change in 2004, after the “big bang” when ten countries joined the EU. As Vice-President of the European Commission responsible for Enterprise and Industry Commissioner *Günter Verheugen* recently put it: “The old members lost enthusiasm for enlargement. Part of European leaders as well as business circles were not prepared to pay the full price of enlargement.”⁸⁾ Second, the general opinion in the EU is that the accession of Romania and Bulgaria was premature and not in accordance with their real progress and, third, the fact that 2009 was election year in the most important European country – Germany - and that its politicians didn’t want to raise this controversial issue during the campaign. All these elements have slowed down the process of EU integration of all Western Balkan countries, including Serbia.

President Tadic in his speech in Switzerland showed that he understood the problems EU is facing but he also stressed that the EU has to show some signs of good will if it wants to bring stability to the Western Balkans. Tadic said that: “Because of the unfortunate combination of the post-Lisbon constitutional confusion and the global financial crisis, the impression at the moment is that the EU simply is not prepared to accept countries of the Western Balkans as fast as we all wanted. EU membership seems to be more distant today than was the case five years ago”. He also said that the EU should not think about an “exit strategy” where enlargement to Western Balkan countries is concerned. “If it is reluctant about further enlargement, Europe ought to bear in mind that it will have to spend more money to put out periodical fires and solve forthcoming crises than to complete the enlargement process,” he warned.⁹⁾

Serbian citizens desperately need some concrete moves from EU after 15 terrible years of wars and sanctions and 10 years of waiting for a better life. The EU idea still enjoys a lot of support amongst Serbian citizens, but this support has started waning for the first time in 2008. As one of the leading Serbian researchers of values Dragan Pantic of the Institute of Social Sciences wrote in his book: “The attitude that Serbia should join EU has predominated over the past ten years and only slightly oscillated around a two-thirds majority. The percentage of opponents to Serbia’s integration in the EU is approximately five times

8) *Blic*, Belgrade, May 25, 2009

9) *Blic*, Belgrade, May 10, 2009

smaller than the percentage of Euro-enthusiasts".¹⁰⁾ But this support has started to decline for the first time since 2000. According to a public opinion survey by Strategic Marketing, support for EU integration fell from 67% in May 2008 to 61% in December 2008.¹¹⁾

Support for the EU has fallen partly because of the Kosovo issue and the recognition of its independence by most EU states, and partly because of the fact that people of Serbia have been waiting for some concrete and visible moves by the EU too long. Something they can see or "eat". Therefore, these concrete moves by the EU are necessary because Serbia will be able to reach a certain level of standards and accept EU values and rules of behavior only through the concrete process of acceding to the EU. The case of Bulgaria and Romania is the best example how membership in the EU can be useful where transition countries are concerned. Namely, notwithstanding all remarks on the premature membership of the two countries, the fact is that both of them, especially Romania, have since made progress in political and economic reforms. To be fair, neither were doing better than Serbia at the time they joined the EU.

The decision by the European Commission to allow the citizens of Serbia to travel to the EU without visas as of January 1, 2010 was a positive sign indicating that things are finally moving in the right direction. Also in December 2009 European Commission defrosted Interim agreement between EU and Serbia. The next step should be the signing of the Stabilization and Association Agreement as a precondition for acquiring the status of candidate state. The Netherlands should finally give up opposing the Serbian signing SAA because of Srebrenica and General Mladic. This argument is understandable, but on the other hand, it should be borne in mind that Serbia is doing its best to find and extradite General Mladic and that it had already handed over all other war crime suspected including Slobodan Milosevic, his successor Milan Milutinovic, a number of army and police generals and former Bosnian Serb President Radovan Karadzic. On the other side, government in Belgrade should work harder on reforms in the public sector, continue combating corruption and searching for Mladic. Without concrete steps towards the EU, Serbia will continue to be preoccupied with its own past and myths.

10) D. Pantic and Z. Pavlovic, *Political Culture of Voters in Serbia*, Institute of Social Sciences, Belgrade, 2009, p. 149.

11) *Politika*, Belgrade, January 21, 2009

Огњен Прибићевић**ПОСТИГНУЋА И НЕУСПЕСИ ДЕМОКРАТСКЕ
ВЛАСТИ У СРБИЈИ ПОСЛЕ 2000.****Сажетак**

У овом чланку који носи назив „Постигнућа и неуспеси демократске власти у Србији” др Прибићевић анализира транзицију у Србији после 2000-те године. Као највећа постигнућа он наводи да је демократија постала „само игра у граду”, да су политичка убиства заустављена, да је Србија поново постала део света и Европе и да је животни стандард побољшан. Са друге стране др Прибићевић указује на споре европске интеграције, незапосленост, корупцију и организовани криминал као на највеће изазове за нову демократску власт у Србији после 2000-те године. Он закључује да ће само придруживањем ЕУ и прихватањем европских вредности и закона Србија поново бити способна да достигне одређени стандард. Без брзих и конкретних корака према ЕУ Србија ће наставити да буде заокупљена својом прошлошћу и митовима.

Кључне речи: Европа, Европска унија, Србија, неуспеси и постигнућа демократске власти.

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