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Building Trust in Public Institutions? Good Governance and Anti-corruption in Bosnia-Herzegovina

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ABSTRACT Ten years after Dayton corruption and good governance rather than ethnic nationalism are widely alleged to be the central problems facing international attempts to construct capable and legitimate Bosnian state institutions. Political corruption substitutes private interests for public interests and in so doing undermines trust in public institutions, which depends on the fair and equal treatment of all citizens. In prioritizing anti-corruption and good governance initiatives, the international administration in Bosnia reflects an increasing international focus on these aspects as crucial to state-building initiatives. This paper considers the anti-corruption policies developed in the past decade and assesses the extent to which anti-corruption and good governance practices, developed by Bosnia's international administrators, have, in fact, rebuilt trust in Bosnia's public institutions.

Both the development of anti-corruption strategies and their use as a component part of international programmes for good governance are fairly recent developments. Corruption hardly figured in international discourse before the 1990s. However, during the past decade major world powers and international agencies—such as the International Monetary Fund, World Bank, United Nations, Organisation for Economic Co-operation and Development, the G7 group of industrialized nations and the European Union—have increasingly focused on both good governance and the problem of corruption (Doig & Theobald, 2000; Robinson, 1998, pp. 1–2; Szeftel, 2000). For many commentators there is an assumption that anti-corruption strategies fit closely with the aims of good governance and can be effective in increasing the accountability of state institutions and revitalizing networks of trust in civil society (US Government, 1999; Theobald, 2000, p. 149).

Over the past 10 years a high international profile has been given to the development and implementation of an internationally coordinated anti-corruption strategy in Bosnia. This experience allows anti-corruption strategy, and the good governance agenda informing it, to be assessed and for some lessons to be drawn regarding the external management

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of good governance programmes designed to strengthen collective state institutions in post-war states, such as Bosnia. The following sections consider the centrality of good governance and anti-corruption to the international administration of Bosnia, international community responses to the problem of corruption, especially in relation to public awareness and institution building, and the questions arising from this experience.

“Only The Highest Standards Will Do”

In March 2005 the Croatian member of the Bosnian Presidency, Dragan Covic, due to chair the Presidency in June 2005, was dismissed from his post, without appeal, by the international High Representative Lord Paddy Ashdown. This was not for any opposition to the Dayton peace settlement, nor for any obstruction to the EU integration process—in fact his performance in post was praised by Ashdown (Ashdown, 2005). Covic was just the most recent of a long line of highly ranked elected politicians to be forced out of office, or barred from running for high office, as a result of anti-corruption and good governance practices.

Ashdown’s rule as High Representative has been marked by the priority he has given to emphasizing good governance and anti-corruption initiatives. After only a few days in office, in June 2002 he sacked Nikola Grabovac, minister of finance and deputy prime minister of the Bosnian Federation (FBiH) on the grounds that Grabovac had failed to act according to the highest standards of ministerial responsibility in the wake of the AM Sped affair (where public money from the federal government was misappropriated by the director of the private company, but there was no allegation that the lapse in financial controls reflected on Grabovac personally) (Chandler, 2002). In the same week he forced the resignation of the Republika Srpska (RS) minister of finance, Milenko Vracar. In April 2003 Mirko Sarovic, the president of RS was forced to resign to maintain Bosnia’s “standards of political responsibility” again on the basis of allegations which were not proven in any court of law (Ashdown, 2003). Mila Gadzic faced charges and was forced to resign from her position as minister of foreign trade and economic relations in the state government in August 2003. In June 2004 Ashdown removed 59 elected and appointed RS officials at entity and municipal level on the basis of allegations of their failure to carry out their responsibilities (in relation to the Hague international criminal tribunal) and 60 municipal bank accounts were removed from their party, the SDS, and funds of up to KM1 million transferred to state institutions. In December 2004 Ashdown prevented Milorad Dodik from running for the post of RS prime minister because criminal charges had been laid against him.

Lord Ashdown has administered the Bosnian protectorate according to rules of ‘good governance’ which are much tougher than those of many Western democracies, where there is no expectation that government ministers (or even US presidents) should resign on the basis of allegations which are yet to be proven in a court of law. In the Grabovac case the issue was that of ministerial responsibility for “the actions or inactions of his ministry”, again, a question where there are no common guidelines for practice, nor any consensus on rules even among members of the European Union. The Office of the High Representative (OHR) claimed the dismissal was justified on the grounds of Bosnia’s particular need for “proper governance and transparency”. Ashdown stated in the wake of the Covic dismissal, in March 2005, that Bosnia (BiH) needed to be ruled according to even higher standards than those existing in established Western democracies, which “have long histories, well founded stability and the established trust of their citizens”, because

its “democracy is still very fragile, its peace not yet fully secured and its institutions in their infancy” (Ashdown, 2005). He continued:

The truth is, as we all know, that BiH’s institutions still have to win the trust of their citizens. And one of the reasons for that distrust, as every citizen knows, is the dangerously close connection between criminality and politics, as well as the high levels of corruption in BiH’s political structures and governmental institutions. None of this is to say that any individual is guilty of the indictments laid against them. It is merely to assert that, if BiH is to win the trust of its citizens, without which no secure form of government or stable peace can be established, then, in choosing which standards are appropriate to BiH, only the highest will do (Ashdown, 2005).

Corruption and bad governance practices, rather than international administration or residual inter-ethnic mistrust, are alleged to be the key reason why Bosnia’s citizens feel little connection to institutions of the Bosnian state. For Lord Ashdown and the international administrative OHR the need to win the trust of Bosnian citizens and legitimate Bosnia’s ruling institutions has necessitated an international focus on good governance and anti-corruption measures.

One other consequence of the anti-corruption campaign and holding Bosnia’s politicians to the highest standards of good governance is held to be a cleansing of the political system itself:

And there is another reason why holding to this principle, however difficult, is so important to BiH’s future. Next year, after the 2006 elections, the winning political parties will have to consider whom they choose for high government positions. Perhaps the fact that politicians’ immunity is now severely limited and that we have held to the principle of resignation in the case of criminal indictment will cause political parties to think twice about putting forward for high office individuals who have a questionable past or close connections with the criminal world. If so, then this would be the biggest step ever taken to cleaning up BiH politics and would open the way to new, younger and cleaner hands to take over the government of this country. (Ashdown, 2005)

This paper questions whether the international administration’s approach to anti-corruption and good governance over the past 10 years has, in fact, contributed to building trust in Bosnia’s public institutions or to undermining the ethnic electoral segmentation of Bosnian society. It also seeks to question the international administration’s allegations of a partnership between the main nationalist political parties, corruption and organized crime, which are repeated so often that they are simply assumed by most commentators and international officials. It will be suggested that the tendency to see the political sphere as one of crime, corruption and sectional interests is a one-sided and problematic reading of the situation in Bosnia, one which marginalizes the capacities of the political sphere to generate trust in state institutions.

Corruption

From the late 1990s onwards the discussion of corruption in Bosnia has been highlighted as a political question of good governance, through the assertion of a link between the

nationalist political leaderships and criminal elements involved in tax and customs evasion. However, where corruption claims have been investigated there has been relatively little evidence of the involvement of leading political parties. In fact, surprisingly, the OHR and other international bodies have at no point produced a comprehensive report documenting the extent of corruption and fraud in Bosnia and Herzegovina (CILE, 2000, p. 14). As Sam Gejdenson argued at the US House of Representatives International Relations Committee in September 1999, one of the problems with addressing the issue has been “exaggerated guesstimates of corruption figures and misidentified reports” (Gejdenson, 1999). Gejdenson, the top Democrat on the Committee argued that the problems had been “grossly overstated” and that Bosnia was facing troubles no different from those of other emerging democracies in the region (Wolfson, 1999).

The US government’s General Accounting Office’s (GAO) July 2000 report found no evidence to support the widely repeated *New York Times*’ claim (Hedges, 1999) that American or international aid was “being lost to large-scale fraud or corruption”. One of the main examples of losses was the US Embassy’s loss of \$900 000 in operating funds thanks to the failure of the bank holding these assets. Out of the total of \$1000 million spent on Bosnia since 1995 by the US government, this was a very small proportion, less than 0.1%, and it was believed that the full amount could be recovered (Tully, 2000). Nevertheless the GAO report also suggested that “crime and corruption were endemic at all levels of Bosnian society” (Marquis & Gall, 2000). This was not based on hard evidence of endemic corruption but on “a near consensus opinion among officials we interviewed” that endemic crime and corruption threatened Dayton implementation (Johnson, 2000). Similar subjective anecdotal evidence is produced regularly, along the lines of Transparency International (TI) interviews which operate on the basis of general ‘perceptions’ of corruption (Heywood, 1997). The Organisation for Security and Cooperation in Europe’s (OSCE) Citizen Outreach Campaign Anti-Corruption Opinion Poll in 2000 asked questions like ‘Do you believe that corruption exists in Bosnia and Herzegovina?’, asked people to gauge the level of corruption from ‘endemic’ to ‘insignificant’ and asked ‘Is corruption affecting the continuing development of Bosnia?’ (OSCE, 2000a). Earlier subjective opinion poll evidence of corruption, such as that conducted in December 1999 by the US State Department, indicated that over 50% of Bosnian citizens believed corruption was prevalent in government and business. However, this is consistent with similar polls in Central and Eastern Europe (OSCE, 2000b).

The main evidence of political collusion seems to be the claim that “Bosnian authorities may be using the foreign donations to make up for income the government has lost to crime”. According to the GAO this could be “hundreds of millions of dollars” (Marquis & Gall, 2000, p. 8). The IMF estimates that the bulk of this is the result of black-marketing of cigarettes, with an estimated \$230 million lost annually (Miroslavljevic, 2000). More often figures for corruption are not even ‘guesstimates’ of the level of tax and customs evasion but established simply on the basis of the budget deficit made up by the international administration. The Dutch ambassador to the UN therefore puts the annual figure at \$500 million (Miroslavljevic, 2000). Of course, tax or customs evasion is hardly unique to Bosnia. In Britain the estimated loss to the tax payer from cigarette smuggling alone is estimated at far more than in Bosnia, at £4 billion annually; however, no commentators have considered this to be ‘corruption’ (BBC, 2000). Yet even at this level the facts are not clear concerning a lack of local commitment on the issue. Allan Wilson, General Manager of the International Customs and Fiscal Aid

Organisation Office in Banja Luka, stated that the international monitors were “impressed with the achievements of the Sector for Customs Frauds of the [Srpska] Republic Customs Administration, obtained in spite of the shortage of personnel” (Miroslavljivic, 2000), while Bosnian Federal police in Tuzla Canton developed a compendium of case files running to 5500 pages (CILE, 2000, p. 14).

From the available evidence the political ties to corruption, assumed by the international community policy makers developing good governance regulations, are yet to be conclusively established. In August 2004 the publication of the in-depth Transparency International *National Integrity Systems* study report on Bosnia-Herzegovina was heralded at a major Sarajevo press conference and endorsed by international representatives, such as the UK ambassador Ian Cliff, who emphasized the headline findings of a ‘serious corruption challenge’. Unfortunately, few people appear to have read further into the report to question the methodology used. This includes implying levels of corruption from correlations with economic indicators such as unemployment levels or government economic subsidies, the use of conclusions from other agencies, such as the US Agency for International Development (USAID) or the OHR, without supporting data, and the repetition of unfounded allegations made elsewhere. When pressed to come up with evidence of links between Bosnian government officials and crime or corruption the TI report is revealing:

Although a great number of criminal charges have been brought against public officeholders, only one judgement has been delivered so far . . . The Basic Court in Banja Luka found Mr Nenad Suzic, the former RS minister of education, guilty of abusing his office. In particular, during his term as minister of education, Mr Suzic approved £5000 for postgraduate studies in Great Britain for the daughter of a politician, at that time president of the municipal assembly of Prijedor. (TI, 2004, p. 23)

Even this one case is not yet settled and has been appealed. It would seem that, although there are undoubtedly cases of political representatives acting corruptly, there is no evidence that Bosnia is, in this regard, any different from any other Western state, and certainly no evidence that the problem is in any way exceptional. Detailed investigative evidence is scarce. In September 1999 the Federation Government established a Commission of International Legal Experts to investigate international press allegations of political corruption, consider the cause and extent of corruption, and to recommend measures to improve anti-corruption efforts. The Commission reported in February 2000, concluding that “the nature of corruption in Bosnia is not . . . systematic corruption organized by all three sets of ‘nationalist leaders’” (CILE: 2000, p. 21). The International Commission stated:

The types of corruption and organized crime afflicting Bosnia are similar to those that afflict other Central and East European states and states of the former Soviet Union, where they are endemic at the domestic level. They relate primarily to tax evasion, customs evasion, and misappropriation of domestic public funds. In Bosnia, they are augmented by the fact that a significant volume of illicit and contraband goods passes through the country on their way to Western Europe . . . The Commission found no reliable, quantitative estimate of the total level of corruption in the Federation. It may be, however, that the level and type of corruption in Bosnia differs from their Central and Eastern European neighbours

in a number of important ways. According to some NGO workers familiar with the problem in these countries, corruption in Bosnia is 'bush league' by comparison, and neither as highly organized nor as sophisticated. (CILE: 2000, pp. 21–22)

From the evidence alone it would appear that the most effective strategy for tackling the problems of budgetary deficits through tax and customs evasion would be through giving Bosnian police, prosecutors and judges the resources to investigate cases with the support of the United Nations Mission in Bosnia Herzegovina International Police Task Force (now the European Union Police Mission) and the European Commission's Customs and Fiscal Assistance Office (CAFAO) programme. However, subsuming international anti-corruption strategy under the mechanisms of good governance has meant that the international focus of resources has not been centred on dealing with corruption as part of the drive against major crime. International institutions working in Bosnia have used anti-corruption initiatives primarily to introduce mechanisms of good governance. These governance mechanisms include regulative measures to increase government transparency; initiatives to strengthen the workings of Bosnian government institutions; and public awareness campaigns to inform and encourage the public to see corruption as a major political issue. It is these aspects of 'systemic' anti-corruption strategy, rather than international support for criminal 'case' work, that this paper seeks to examine in more depth.

International Strategy

The Luxembourg Peace Implementation Council (PIC) Steering Board, meeting in June 1998, encouraged the OHR to coordinate the international community in implementing a comprehensive anti-corruption strategy. The Madrid PIC meeting in December 1998 reiterated concerns regarding a comprehensive anti-corruption strategy:

The Council expresses deep concern about continuing corruption and evasion of public funds. It welcomes the High Representative's development of a comprehensive anti-corruption strategy which will . . . provide the framework necessary to identify, develop and implement changes in the structure and procedures of government, to significantly reduce corrupt activities and to establish a public awareness program . . . The High Representative will take the lead in co-ordinating International Community efforts aimed at eliminating opportunities for corruption, tax evasion and diversion of public revenue; ensuring transparency in all phases of governmental operations; strengthening the legal system and the judiciary; and implementing control mechanisms and appropriate penalties to ensure compliance. A key component of the strategy will be to develop a public awareness campaign to educate citizens about the deleterious effects of corruption on their lives and on society. (OHR, 1999, p. 6)

In February 1999 the OHR's Anti-Fraud Unit launched its 'Comprehensive Anti-Corruption Strategy' defining corruption, using the World Bank definition, as "the abuse of public office for private gain" (OHR, 1999, p. 6). The OHR's 'Comprehensive Anti-Corruption Strategy' was approved by the Peace Implementation Steering Council and closely involved the UN, European Commission, World Bank, US Treasury, US

Justice Department and USAID. In addition to the individual case approach, providing assistance to the investigation and prosecution of major criminal cases, there was to be a two-track approach to deal with systemic political corruption: one track dealing with public attitudes, the other attempting to marginalize the influence of nationalist parties.

The Comprehensive Anti-Corruption Strategy sought to address 'Bosnian mindsets' through education and public awareness campaigning. According to the OHR: "An informed citizenry is crucial for the success of any anti-corruption program. If the public is apathetic towards corruption and accepts it as an inevitable presence, efforts to alleviate corruption will be futile" (OHR, 1999, p. 11). The problem of nationalist party dominance was to be approached by establishing mechanisms of external oversight to safeguard governing structures from party-political influence, ensuring transparent financial management with strict control and monitoring of public revenue, tax and customs regulation. The work of government itself was to be closely monitored by parliamentary commissions, audit institutions and transparency offices.

Public Awareness

The systemic anti-corruption strategy entails a high level of international involvement in public education and political awareness to facilitate greater public participation in the political process. The public education campaign is premised on the assumption that the people of Bosnia are unaware of their real interests in this area and therefore in need of education by their international administrators. Christopher Bennett and Gerald Knaus argue: "Most Bosnians are aware how corrupt their leaders are and secretly support international efforts to restructure their country. But given their dependency on the current system, they are not yet ready to demand reforms, transparency and accountability" (Bennett & Knaus, 1999). According to the director of the US state department's Office of Bosnia Implementation, David Dlouhy, "democratic concepts of accountability to the public and transparency are not yet second nature to most Bosnians" (Dlouhy, 1999).

This need for increased awareness about the issue of corruption is seen to fit in with broader governance aims of developing a more participatory political environment, undermining the influence of the three main nationalist parties, and with replacing the political salience of ethnicity with themes which cut across ethnic lines. As James Pardew, Balkans special advisor to President Bill Clinton and the Secretary of State, put it:

Our strong preference would be that the Bosnians undertake the changes themselves because it is clearly in their long-term, collective self-interest to do so. To promote that kind of thinking, we set a high priority on promotion of independent media, support of open and transparent elections, and encouragement of pro-reform and pro-Dayton leaders and political candidates, regardless of ethnic background or party. (Pardew, 2000)

In fact, the segmented voting patterns of Bosnian voters and political corruption have become increasingly interlinked in the minds of Bosnia's international administrators, with electoral support for the leading nationalist parties seen as an indicator of public attitudes towards corruption. For this reason the international institutions involved in the Bosnian political process have heavily emphasized the question of political corruption in the run-up to recent elections. As the OHR has stated: "only when citizens recognize

corruption and are aware of its effects, will they be able to make the correct choices at the ballot box” (OHR, 1999, p. 38). It would appear that the anti-corruption strategy is a highly politicized one. According to Peter Singer, the anti-corruption issue is the strongest card the international community has in encouraging political opposition to the leading nationalist parties:

The one issue that has consistently motivated Bosnian voters to turn against the ethnic-nationalist parties is graft—when it is fully exposed. Voting for reconciliation with ‘the enemy’ is one thing, but it is a lot easier to abandon party allegiances in order ‘to get rid of those thieves’. Exposing, condemning, and removing corrupt officials from power is one of the few points of leverage against the nationalists that is popular with the typical Bosnian on the street. Anti-corruption is the best multiethnic issue of all. (Singer, 2000)

The OHR asserts that: “The ultimate success of the battle against corruption will be determined by the political will of the citizens of Bosnia and Herzegovina and the expression of that will in the election of their leaders” (OHR, 1999, p. 41). To this end the OHR has made ‘public awareness’ a central pillar of its anti-corruption strategy, stating: “All segments of society, from children in primary school to the business community and government officials, must be made aware of both the nature and consequences of corruption” (OHR, 1999, p. 11). Often public anti-corruption awareness campaigns are timed to coincide with elections, where critical campaign slogans such as ‘*Gdje idu nase pare?*’ ‘Where is our money going?’ seek to bolster the opposition and are promoted in special TV episodes, radio spots, jumbo poster campaigns and special comic books and animated video clips, all designed to “inform citizens about how they can become involved in the fight against corruption, by insisting on their right to a responsible, accountable government” (OHR, 2000).

Until 2002 the OSCE was directly responsible for organizing elections in Bosnia and played a central role in encouraging non-nationalist parties through attempts to “raise citizens’ awareness of corruption, thus allowing voters to make an informed choice at the polls” (OSCE, 2000c). Like the OHR, the OSCE also ran a major anti-corruption publicity campaign in the run-up to elections. Rather than making any specific allegations of corruption against the major parties, the OSCE would instead urge voters to speak out against corruption ‘in general’ by voting for ‘anti-corruption’ candidates (OSCE, 2000d). The Civil Society Anti-Corruption Public Outreach Programmes organized by local internationally funded NGOs and OSCE ‘Community Facilitators’ set up radio shows, public tribunes, roundtable discussions and public meetings and crudely argued for the public to support the opposition parties who were ‘raising awareness’ about government corruption.

While all Bosnian parties condemned corruption, the international education and public awareness campaigns created tensions with Bosnian politicians. For example, it was in the context of publicizing political corruption that the OHR Anti-Fraud Unit briefed the, later discredited, material to Chris Hedges from the *New York Times* (Dlouhy, 1999). The resulting catalogue of misrepresentations played a useful role in increased international pressure on Bosnian institutions but brought angry responses of bias from the then Bosnian president, Alija Izetbegovic (A. Izetbegovic, 1999; B. Izetbegovic, 1999). Despite the anti-corruption campaigning focus, funded and encouraged by international institutions at successive elections, up to the present time the main nationalist parties

have continued to dominate the political scene and achieve much better showings than expected, while no genuine cross-ethnic political alternative has emerged. This would appear to indicate some limitations on the strategy of making political corruption and good governance central political issues at elections.

It seems that the anti-corruption campaigns have promoted political cynicism rather than a hoped for political change, and have backfired on the international community. Voting returns indicate that, while the public awareness aspects of international anti-corruption strategy have been successful in getting the message across, this has neither had a beneficial influence on levels of public political participation nor had any positive impact on levels of trust and cooperation either within or between ethnic groups. It seems that the conclusion Bosnian voters have drawn from the institutionalization of anti-corruption into every walk of life has been that no politicians can be trusted. While the international community promoted the corruption issue as a way of undermining support for the nationalist parties, the impact has been a wider one, undermining the political process more broadly. If all politicians are corrupt, then voters are less likely to see change and progress as possible through the ballot box.

Evidence indicates that far from anti-corruption being a vehicle for broadening support for multi-ethnic parties, the issue seems to be one that favours the nationalists. The less trust people have in the broader political process, the more likely it is that parochial and local links will come to the forefront. This is supported by literature on the importance of high levels of generalized trust for establishing intercommunal bonds, 'bridging' social capital as opposed to 'bonding' social capital, in the terminology of Robert Putnam (Putnam, 2000, pp. 134–147; see also Fukuyama, 1995). If elected representatives are just out to line their own pockets, they can not be trusted to prioritize the interests of their voters. Concern over representation can only lead to a higher level of insecurity and atomization. Political pessimism and insecurity are more likely to lead to support for nationalist parties or to non-participation than to support for parties which promise political change. It is little surprise that in the run-up to subsequent elections, the key concern of the OHR has been whether voters will vote at all. These concerns seem justified with turnout dropping to 45% in the local elections of October 2004, with young and urban voters abstaining. The low level of participation has been widely held to have benefited the nationalist parties, with younger, urban, less politically aligned voters more likely to abstain and more politically connected elderly and rural voters more likely to vote (Dervisbegovic, 2004).

Institution Building

According to leading international statesmen and policy makers, the popular nationalist parties are putting the personal interests of the political elites above those of the Bosnian public: "politicians play the nationalist card to mask their lack of commitment to develop state institutions. For them, public accountability and personal responsibility are notoriously absent" (CILE, 2000, p. 6) Former High Representative Wolfgang Petritsch has argued that the political elites have the wrong approach to the political process: "The government is there to work for the citizen, and not the other way around" (Petritsch, 2000). For Petritsch "the corruption of public institutions is one of the most serious and major obstacles" preventing Bosnia from becoming integrated into European institutions (CILE, 2000, p. 26). Because the problem of corruption is seen to

lie with Bosnian politicians themselves, they are caught in a no-win situation. They have been criticized for failing to do more than create committees and commissions that have not 'measurably' reduced crime and corruption (Johnson, 2000). Yet, when they do form anti-corruption teams headed by the entity prime ministers and involving key ministers such as the minister of the interior and justice and members of the intelligence and security services and customs, they are accused of attempting to hamper anti-corruption initiatives or of seeking to whitewash the situation (Miroslavjevic, 2000).

The response from international policy advisors has been to call for more regulation of the actions and power of Bosnian politicians. One approach has been to call for the decentralized powers at entity, canton and municipal level to be weakened. For some commentators the problem is that there is 'too much' government in Bosnia, with the division of responsibilities between the state and entity governments making it difficult to clearly allocate responsibility (Martin, 1999; Wilkinson, 1998). A similar complaint is expressed by advisors who argue that all levels of political authority need to be restricted: "The basic difference between the two entities of Bosnia is the fact that there are three levels of corruption in the Federation (municipalities, cantons and the Federal authorities) while there are 'only' two in the Republika Srpska (no cantons)" (Divjak, 2000). International analysts argue that: "Without dismantling Bosnia's existing domestic power structures, there is no way out of the current quagmire" (Bennett & Knaus, 1999).

The only solution to corruption appears to be greater external regulation. Steve Hanke, John Hopkins professor and advisor on economic issues to the Bosnian government, suggests the solution lies in "shrink[ing] the size of the government down to almost zero . . . That is the only way to get rid of corruption. Have no aid, no government officials, minimum state" (Wood, 1999). Professor Hanke argues that the monetary system set up by the USA and the IMF is "the only non-corrupt institution in Bosnia . . . because it is run by a foreigner" (Wood, 1999). Rather than strengthening Bosnian political institutions, the OHR has targeted them as the central problem, stating that there is no evidence of corruption involving internationally administered funds, but that: 'Corruption and fraud, which are undoubtedly a serious problem in the country, primarily centre on the misuse of local public funds and budgets' (OHR, 1999, p. 13). International policy, informed by good governance principles, starts from the assumption that elected government is an opportunity for corruption and inevitably leads to the conclusion that "corruption-busting is therefore a task for the West" (Bennett & Knaus, 1999).

The Bosnian political institutions are increasingly restricted or bypassed by current international policy. They are restricted through external pressure on policy making. As James Pardew states, the US government is working with the IMF, World Bank and European Bank for Reconstruction and Development (EBRD) to strengthen conditionality "to apply as much leverage as possible to overcome resistance by the Bosnian leadership to implement the changes necessary to undercut corruption" (Pardew, 2000). They are bypassed by the creation of new regulatory mechanisms which include little Bosnian representation—for example, the Anti-Corruption and Transparency Group (ACT) formed by the OHR, with the objective of strengthening international efforts. The membership comprises about a dozen international organizations, as well as the US government's newly formed Anti-Corruption Task Force. ACT does not, however, include any participation by Bosnian officials or independent experts (CILE, 2000, p. 39). This trend to bypass or restrict the political institutions is supported by the European Stability Initiative (ESI) Bosnia Project, which warns that transferring responsibility for

governance and overseeing the operation of public institutions to Bosnian political leaders would be a mistake. Far from giving elected representatives increased authority, the ESI suggests that more control should be given to Bosnian civil servants backed by the international community (ESI, 1999).

This consensus of international support for anti-corruption mechanisms of good governance to take precedence over representational mechanisms of government has led to the politicization of the question of corruption and to the practices of anti-corruption and the ‘corruptionization’ of the political process. By this I mean that the political process is increasingly played out through the language of corruption and anti-corruption. Allegations of corrupt practices have been used to provide a blank cheque to legitimize political interference by international administrators and as the language of political and personal faction fighting between Bosnian parties themselves. Questions of political power and resource distribution which could have been justified in political terms of international administrative or of party-political interests have been corruptionized—i.e. taken out of the public political sphere. They have been turned into administrative and bureaucratic questions of administrative etiquette and ‘good practice’ or of good governance, alleged to stand independently of—or over and above—political interests. Whether an issue remains one of political choice or is corruptionized is a matter of international administrative decision—a ‘speech act’ in the analogous framework of ‘securitization’ developed by the Copenhagen school of security studies (Buzan *et al.*, 1997).

The focus on the politicization of corruption and anti-corruption or the corruptionization of political-administrative external regulation is a useful framework for analysing the issue in the Bosnian context. This framework of analysis places the focus on the ‘speech act’—the decision to name an act as ‘corrupt’—rather than taking a prejudged view that corruption is normatively bad or that the definition of corruption is in any way a ‘given’ rather than a constructed one. High Representative Paddy Ashdown has used allegations of corruption to impose his will on the political process by dismissing politicians and disciplining political parties. Transparency International’s 2004 *National Integrity Systems* report found that one of the main problems in the prosecution of corruption cases had been the politicization of the process. It stated that “the proceedings have largely been hastily initiated, with the aim of appeasing the public or discrediting a political opponent” (TI, 2004, p. 23). The international administration’s politicization of corruption has done little to strengthen trust in public institutions or the rule of law, according to that widely respected policy NGO. Regarding Ashdown’s dismissal of RS officials and the freezing of bank accounts in June 2004, the report argues:

The High Representative has demonstrated that he can bring charges against any individual in BiH without presenting sufficient (or any) evidence and that the entire process of ‘democratic’ elections comes close to being a farce. Dispossessing legal entities of their funds without a proper public investigation and a trial would be classified as theft in any Western democracy. Regardless of the profiles of the 59 individuals removed from office, many of whom are widely considered to be crooks, no trial has been set and they have had no opportunity to present their case. Besides, pressing criminal charges and presenting a clear case would have done more for the national integrity system of the country and would have painted a powerful image of the 59 individuals and their party. (TI, 2004, p. 24)

The undermining of domestic political and legal processes in the cause of anti-corruption and good governance is inherently self-defeating. The creation of a modern state framework requires that Bosnian political institutions be strengthened rather than external administrative powers. In fact, the desire to restrict and regulate the Bosnian political elites can only weaken trust in political institutions. Samuel Huntington, in his classic early work *Political Order in Changing Societies*, argued that:

The administrator opposed to parties accepts the need to rationalize social and economic structures. He is unwilling, however, to accept the implications of modernization for broadening the scope of popular participation in politics. His is a bureaucratic model; the goal is efficiency and the elimination of conflict. Parties simply introduce irrational and corrupt considerations into the efficient pursuit of goals upon which everyone should be agreed. The administrative opponent of parties may wear any dress, but he is less likely to be in mufti than in uniform. (Huntington, 1968, p. 404)

For Huntington, leaving aside the acuteness of his observation on the link between the military mindset and the administrative one—captured well by Lord Ashdown the ex-Royal Marine Commando who has never enjoyed elected government office—the point is that hostility to the political sphere is essentially counterproductive. While kings and bureaucrats understand their legitimacy as existing independently of society, links between individuals and the state—provided by the political sphere and by the mediation of political party competition—are crucial to creating identities which transcend parochial and particularist groupings and to the legitimation of state-level institutions.

Conclusion

The international community's systemic anti-corruption strategy aimed at developing mechanisms of good governance has been successful in Bosnia, but only in so far as it has acted to marginalize the sphere of politics. The process of imposing decisions that the international community feels are in the public interest has strengthened external mechanisms of international governance but undermined domestic Bosnian institutions of government, weakening political institutions and discouraging public participation in the political sphere. If the international community is deciding which parties represent the public interest and which policies they should be implementing, there is little room for political contestation or for public involvement. The current policies for promoting good governance in Bosnia, such as the international anti-corruption campaigns and high-level sackings, raise the question of whether the international administrators see the sphere of internal Bosnian politics as necessary at all.

The narrow view of legitimate politics apparently held by Bosnia's international overseers would reduce Bosnian political institutions to the role of administrators of international policy decrees. From the point of view of the international community, leading nationalist political parties appear to be corrupt precisely because they are engaged in representing and negotiating on behalf of the particular interests of an ethnic constituency, interests which are defined as conflicting with the public interest. However, there is nothing innately corrupt about politicians supporting the aims of a particular political constituency. The reflection of particular interests is the essence of representational

politics; all political parties historically reflect particular social, sectional or regional interests. In a highly segmented society, such as Bosnia, it is inevitable that elected representatives will reflect this social division. The international community is, in fact, calling for a Bosnian political class that is apolitical, which does not reflect these particular concerns and therefore is disconnected from Bosnian society.

As commentators have noted in relation to other good governance initiatives, there is a clash between the demands of these programmes, such as anti-corruption campaigns, and the demands of politics because the 'public interest' demands impartiality while "the stock in trade of party politicians is partiality" (Williams, 2000, 135–148). Politics would indeed not be necessary if all questions could be decided by the technicians of good governance developing the 'correct law' or ideal method of administration. As with all techniques of good governance, anti-corruption campaigns can easily neglect the political realities of coalition- and consensus building necessary to political life, seeking in effect to remove politics from government. The reason representational politics is necessary is because individuals, in Bosnia or anywhere else, do not subjectively see the world through some automatic and agreed understanding of what the public interest is.

The political sphere in Bosnia may reflect political cleavages in society but it also remains a necessary mechanism in the reconciliation of these conflicting interests. Particularly in circumstances of social and political division, representational politics is central to overcoming the fears and concerns of citizens through the transparent and accountable process of consensus building and decision making in political assemblies. The artificial institutional settlement in Bosnia, where the international community assumes executive and legislative powers, makes the development of trust impossible as this process lacks transparency or accountability. The manipulation of pliant political elites, isolated from any electoral base in society, may make it easy for international legislators to impose good governance decrees but can only institutionalize societal divisions rather than overcoming them. Politicians who have little representational legitimacy are unlikely to be able to build bridges within society and lack the capacity to resolve conflicts. The weak position of the new elites highlights the artificial nature of this internationally enforced process, in which decisions arrived at are dependent on international supervision. This increases insecurity on all sides, as there is little local control or ownership of the political process, necessary for the settlement to be self-sustaining after international withdrawal. International administrators who have no respect for the political choices of Bosnian citizens and distrust the political process are poorly placed to help restore trust in public institutions. Public trust in state institutions will not be possible until the international administration allows meaningful public participation and public accountability.

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