Serbia

by Dragana Pećo

Capital: Belgrade
Population: 7.3 million
GNI/capita, PPP: US\$11,090

Source: The data above are drawn from the World Bank's World Development Indicators 2013.

Nations in Transit Ratings and Averaged Scores

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Electoral Process	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
Civil Society	2.75	2.75	2.75	2.75	2.75	2.75	2.50	2.25	2.25	2.25
Independent Media	3.50	3.25	3.25	3.50	3.75	3.75	4.00	4.00	4.00	4.00
Governance*	4.00	n/a								
National Democratic Governance	n/a	4.00	4.00	3.75	4.00	4.00	3.75	3.75	3.75	3.75
Local Democratic Governance	n/a	3.75	3.75	3.75	3.75	3.75	3.50	3.50	3.50	3.50
Judicial Framework and Independence	4.25	4.25	4.25	4.25	4.50	4.50	4.50	4.50	4.50	4.50
Corruption	5.00	5.00	4.75	4.50	4.50	4.50	4.50	4.25	4.25	4.25
Democracy Score	3.83	3.75	3.71	3.68	3.79	3.79	3.71	3.64	3.64	3.64

^{*} Starting 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.

Executive Summary

eneral elections in May 2012 yielded a new coalition government comprised of the Serbian Progressive Party (SNS), the Socialist Party of Serbia (SPS), and the United Regions of Serbia (URS), with SPS leader and former Slobodan Milošević spokesman Ivica Dačić as prime minister. The Democratic Party (DS), which had led the government for most of the previous decade, was relegated to the opposition, reflecting broad public dissatisfaction with its stewardship of the economy, anticorruption efforts, and other governance issues. SNS leader Tomislav Nikolić also defeated incumbent and DS leader Boris Tadić in the presidential polls.

The new government placed European Union (EU) integration, relations with Kosovo, and anticorruption efforts at the top of its agenda. Despite calls for decentralization from the government and during the election campaign, the division of responsibilities between the central and local levels of power remained unclear in 2012. Right after the government's formation, the Constitutional Court handed down a ruling limiting the powers of the multiethnic Autonomous Province of Vojvodina in northern Serbia.

Though Belgrade remained emphatic in its non-recognition of Kosovo's independence, relations between the two governments showed some progress as a result of EU-facilitated bilateral negotiations. Brussels rewarded this progress by granting Serbia EU candidate status in March, a long-awaited milestone. Negotiations stalled during Serbia's election season but resumed in October with EU-mediated meetings between Dačić and Kosovo's prime minister, Hashim Thaçi, the first high-level political encounter between the neighbors since 2008. The EU says Serbia must develop good neighborly relations with Kosovo to begin accession negotiations, which will commence no earlier than December 2013.

Burdened with a high budget deficit, the new government pushed through a package of revenue-raising measures, including a 2 percent increase in value added tax (VAT) in October. In addition to priorities such as Kosovo and EU integration, the new leadership pledged to fight organized crime and corruption. Compared with previous governments, it has shown the first real political will to take on graft and misconduct.

National Democratic Governance. Following the May general elections, the new government prioritized EU integration, anticorruption efforts, and the ongoing bilateral dialogue with Kosovo. Top-level meetings between prime ministers Dačić and Thaçi in October resulted in the implementation of a significant border management agreement in December, in connection with which Serbia won EU candidate status and was awaiting a start date to begin accession talks at year's end.

Some EU countries demanded the reintroduction of visa requirements for Serbian citizens in an effort to reduce asylum seekers, but there were no formal requests to suspend visa-free travel during the year. To bolster the country's struggling economy and reduce the budget deficit, the government increased VAT for the first time. In October, President Nikolić claimed that police had tapped his phones and those of Deputy Prime Minister Aleksandar Vučić; the case that remained unresolved at year's end. Serbia's national democratic governance rating remains unchanged at 3.75.

Electoral Process. May parliamentary elections deemed free and fair by monitors resulted in the formation of a new governing coalition between the SNS, SPS, and URS, led by Prime Minister Dačić of the SPS. With voters disappointed by the former government and other options on the parliamentary candidate list, the number of "white," or unmarked, ballots doubled from the previous elections, in 2008. The same month, SNS leader Nikolić defeated incumbent President Tadić in a runoff. Political parties were required to submit various financial and other campaign reports to the independent Anticorruption Agency, but many were incomplete. *Serbia's electoral process rating remains unchanged at 3.25*.

Civil Society. Civic groups in Serbia continued to struggle financially in 2012, with some 80 percent unable to even cover their annual costs. Most civil society organizations (CSOs) see the state as an important funder of the nonprofit sector, but still complain that government institutions are generally uninterested in their work. The leadership made no progress on minority rights in 2012 and banned the Belgrade gay pride parade for the second consecutive year on the basis of security concerns. *Serbia's civil society rating remains unchanged at 2.25*.

Independent Media. Although the government adopted a Media Strategy in October 2011 that aims to improve the transparency of media ownership and privatize state-owned outlets, it remains to be implemented. The state continues to own many media outlets and control the dissemination of information. Most media are struggling financially, and see state ownership as a key to their survival. Political influence on the media is high, especially during the preelection campaign season. Several print media closed shortly after the elections. There were a number unsolved attacks on journalists during the year. Serbia's independent media rating remains unchanged at 4.00.

Local Democratic Governance. Serbian politicians promoted further decentralization in their election campaigns, but once in office the government decided to cut costs by closing the Office of the National Council for Decentralization. After the new government was formed in July, many local governments reconfigured to reflect the new SNS-SPS-URS state-level coalition. The Statute of the Autonomous Province of Vojvodina and its jurisdiction were drastically reduced after the Constitutional Court ruled some of its provisions unconstitutional. Some local nongovernmental organizations said the ruling

threatened the province's development. Serbia's local democratic governance rating remains unchanged at 3.50.

Judicial Framework and Independence. Though the EC noted some positive steps in 2012 to improve accountability and efficiency, the judiciary continues to struggle with excessively long trials, a large case backlog, and poor access to justice, partly owing to a previous overhaul of the court network that the new government has announced plans to reverse. In September, the Constitutional Court reinstated around 300 judges, prosecutors, and deputies who lost their jobs in a controversial reappointment procedure that was part of the judicial reform. In early 2012, three years after appointing Nata Mesarović as president of the Supreme Court of Cassation (VKS), the Constitutional Court ruled unconstitutional the Law on Judges under which she was elected. To ease prison overcrowding, the government adopted a new amnesty law that will affect some 3,500 prisoners. Serbia's judicial framework and independence rating remains unchanged at 4.50.

Corruption. One of the new government's stated priorities is the fight against corruption and organized crime. During the year, authorities pursued major corruption cases, including suspect privatizations and an ongoing, large-scale investigation of loan fraud at state-owned Agrobanka. Anticorruption Agency Director Zorana Marković was dismissed in November after allegations surfaced that she had tried to allocate a state-owned apartment for herself. Independent polls indicate that nearly half of Serbian citizens believe corruption increased in 2012, while almost 90 percent see graft and misconduct as commonplace. While the government has demonstrated the first real political will in years to tackle corruption and launched several investigations, the fight is just beginning. Serbia's corruption rating remains unchanged at 4.25.

Outlook for 2013. In 2013, Serbia's priorities will be revitalizing the economy, fighting organized crime and corruption, and continuing bilateral negotiations with Kosovo. In the next round of talks, the two sides are expected to discuss the "parallel" public health, education, and other services Belgrade funds in majority-Serb areas of Kosovo. The EU wants these shadow institutions dismantled.

At year's end, Brussels was expected to give Serbia a firm date in 2013 to start accession negotiations, which will begin no earlier than December. Among young Serbians, support for joining the EU has fallen in recent years, and stood at 41 percent at the end of 2012. At the same time, 66 percent of respondents to a December survey declared support for EU accession reforms, and 62 percent specifically support "solving problems in relations between Belgrade and Priština." 2

To improve the economy, leaders will focus on attracting foreign investment. At the end of 2012, the government began talks with the International Monetary Fund on a new loan agreement.³

Main Report

National Democratic Governance

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
n/a	4.00	4.00	3.75	4.00	4.00	3.75	3.75	3.75	3.75

Parliamentary elections in May yielded a new ruling coalition comprised of the Serbian Progressive Party (SNS), the Socialist Party of Serbia (SPS), and the United Regions of Serbia (URS). SPS leader and former Slobodan Milošević spokesman Ivica Dačić became prime minister, while the Democratic Party (DS), which had led the government for most of the previous decade, was relegated to the opposition. In a runoff vote on 20 May, DS leader and incumbent president Boris Tadić lost to former ultranationalist Tomislav Nikolić, the head of the SNS. President-elect Nikolić subsequently resigned as SNS leader, saying he wanted to represent all Serbians. Tadić effectively assumed blame for DS's electoral loss by giving up his party's leadership in November.

The new government inherited a challenging economic and budgetary situation. In September, State Audit Institution (DRI) President Radoslav Sretenović informed URS leader Mlađan Dinkić, the newly appointed minister of finance and economy, that public debt in 2011 had been 49.6 percent of Gross Domestic Product (GDP), rather than the 45.1 percent originally claimed by the Ministry of Finance—a difference of some €1.3 billion.⁴ Shortly following this revelation, the government approved amendments to increase the value added tax (VAT) for the first time since 2005 as part of a larger package of revenue-raising measures. These efforts, the new leadership claimed, had saved the state from bankruptcy.⁵

Though Belgrade remained emphatic in its non-recognition of Kosovo's independence, relations between the two governments showed some progress in 2011 and 2012 as a result of bilateral negotiations facilitated by the European Union (EU). Following a series of meetings in 2011, negotiating envoys from Pristina and Belgrade reached two key deals in February 2012. First, Belgrade agreed to participate in regional meetings with Pristina (previously, Serbian leaders had boycotted meetings attended by Kosovar officials); and second, the two sides agreed to allow Kosovar and Serbian officials joint management of their shared border. In March, Brussels recognized this progress by granting Serbia EU candidate status, a long-awaited milestone.⁶

The official date for beginning Serbia's accession negotiations will be set in 2013. In September, a group of German parliamentarians led by Andreas Schockenhoff from the Christian Democrats visited Belgrade to present seven conditions for accession, from improving relations with Kosovo to officially recognizing as genocide the 1995 Srebrenica massacre of some 8,000 Bosnian Muslim men and boys by Bosnian Serb forces. Responding that these conditions

only reflected "one opinion," Vincent Degert, head of the EU Delegation to Serbia, said all EU countries, not just Germany, would make the final decision on Serbia's EU application.⁷

Negotiations with Kosovo stalled after the May elections but resumed in October with meetings in Brussels between Prime Minister Dačić and Kosovo's prime minister, Hashim Thaçi. Both sides called the meetings—the first highlevel summits between these countries since 2008—a positive step toward further cooperation. Nevertheless, issues like the so-called "parallel" governing structures funded by Belgrade in majority-Serb areas of Kosovo remained unresolved by year's end, despite EU pressure. In December, Dačić and Thaçi did finalize the Integrated Border Management (IBM) agreement agreed to in February, which was implemented that month.⁸

At the end of 2012, some EU countries demanded the reintroduction of visa requirements for Serbian citizens wishing to travel within the union in order to decrease the number of asylum seekers, especially to Germany, which no longer deports asylum seekers under legislation passed in winter. However, there were no formal requests to revoke visa-free travel, the most concrete benefit Serbian citizens have received in the EU accession process.

In October, President Nikolić accused police of tapping his phone and that of Defense Minister Aleksandar Vučić, the new head of the SNS. Media reported that Criminal Investigations Police Chief Rodoljub Milović had signed a wiretapping warrant, which then "disappeared." Milović flatly denied the allegations, calling the episode an "attack from behind." A preliminary investigation showed that Nikolić and Vučić were indeed under surveillance, but no one had been charged by year's end. Vučić has pledged to get tough on corruption, even if that means investigating cases involving coalition members. 11

Electoral Process

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25

Led by Nikolić, the SNS and its allies won 73 seats in the May 2012 parliamentary elections. The DS-led bloc took 67 seats, followed by the SPS-led bloc, including the Party of United Pensioners of Serbia (PUPS) and United Serbia (JS)—which won 44. The Serbian Radical Party (SRS), led by Vojislav Šešelj, currently on trial for alleged war crimes at the International Criminal Tribunal for the former Yugoslavia, lost all of its seats.

Having won twice as many votes in 2012 as it did in 2008, the SPS bloc emerged as the kingmaker in coalition negotiations, since neither the SNS nor the DS took enough seats to govern alone. As a result, Dačić called his coalition the "real winner of the Serbian 2012 elections." Initially, Dačić agreed to form

a coalition with the DS, but this fell through after Nikolić defeated Tadić in a 20 May presidential runoff with 51.2 percent of the vote.¹³ (Tadić had called early presidential elections after Serbia won EU candidacy.) The DS had also lost public support due to a foundering economy beset by 20-plus percent unemployment and numerous political corruption scandals.

After receiving Nikolić's blessing in June, Dačić formed a coalition government with SNS and URS in July. The DS went into opposition, and Tadić effectively assumed blame for the party's electoral losses by stepping down as its leader. He was succeeded by Belgrade Mayor Dragan Đilas in November.

While the elections reflected dissatisfaction with the DS, they also revealed a general loss of confidence in Serbia's political elite. Around 170,000 voters (or 4.3 percent) expressed their displeasure with all the options on offer by casting "white," or unmarked, ballots. ¹⁴ Several smaller and former opposition parties ran in the elections together on one list, called Preokret, winning 6.53 percent of the popular vote. Preokret received 19 seats in the national legislature, but did not get enough votes in Belgrade to enter the city parliament. Some Preokret members blamed the "white ballots" for their loss.

After the first round of presidential voting, on 6 May, Nikolić accused Tadić of election fraud, saying the DS had printed extra ballots. The SNS filed criminal charges, ¹⁵ but dropped them in October. DS discounted the lawsuit as part of a campaign to bolster support for Nikolić between the first round of presidential voting and the runoff. Nikolić's win was greeted with surprise in most Serbian and regional media, especially since state-owned media had reported throughout the campaign that Tadić was leading the polls.¹⁶

After the elections, political parties were required by law to submit campaign expense reports and donor lists to the Anticorruption Agency, which also collected parties' annual financial reports. The agency received some 400 reports, but according to a review by the Serbian branch of Transparency International (TS), most parties did not take the endeavor seriously, submitting incomplete reports with difficult-to-decipher data. The agency has yet to establish a track record of effective oversight of party funding, according to an annual progress report by the European Commission (EC), published in October 2012.

The May 2012 polls followed a 2011 amendment to the Law on the Election of Members of Parliament that introduced closed electoral lists, as well as a comprehensive and up-to-date voter database. Ranking on voter lists now determines who wins a parliamentary seat, so seats can no longer be transferred to other party members between elections. Under the new law, one-third of listed parliamentary candidates in May 2012 were women.

International observers declared the May elections "free, fair, and peaceful," noting an improved range of voter choice and more peaceful atmosphere than in 2008.¹⁹ However, monitors also stated that "additional efforts are needed to further enhance the integrity of the election process, particularly with regard to the transparency of voter registration."

Civil Society

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
2.75	2.75	2.75	2.75	2.75	2.75	2.50	2.25	2.25	2.25

Roughly 18,000 civil society organizations (CSOs) operate in Serbia, but their impact on governance and other key areas is rather weak. According to a 2011 report by the Belgrade-based Civic Initiatives watchdog, nearly 80 percent of CSOs are underfunded. The same report finds that 70 percent of CSOs say financing is their biggest problem, and only a little more than 20 percent are able to support themselves without direct government support.²¹ Some organizations do not fully understand how to access funding for projects, often because staff members are undertrained. Many CSOs also complain that international donors are pulling money out of Serbia since the 2008 global economic downturn. The private sector, meanwhile, rarely donates to CSOs.

Cooperation between civil society and government institutions is still relatively infrequent. According to Civic Initiatives, around 40 percent of CSOs say the state takes little interest in their work. In 2012, the government announced plans to cut costs by closing its Office for Cooperation with Civil Society, though ultimately the office was spared. Since launching in 2011, the office has played an important role in encouraging cooperation between CSOs and public officials.²²

As the May elections approached, CSOs became more politically engaged. Some openly supported certain political parties, while others had members who sought office themselves. For example, Civic Initiatives founder Miljenko Dereta won a parliamentary seat on the Preokret list.

Citizens enjoy freedoms of assembly and association, though a 2009 law banned meetings of fascist organizations and the use of neo-Nazi symbols. Radical right-wing organizations and violent "sports fans" remain a serious concern, and the Constitutional Court banned a second such group in 2012.

Attacks on LGBT (lesbian, gay, bisexual, and transgender) citizens occur every year. In September, a young gay man brutally beaten in Belgrade. On 6 October, the day of a planned gay pride parade in Belgrade, police banned all public demonstrations, evidently fearing a recurrence of the violence that occurred after extremists attacked a similar event in 2010. The parade has been banned for the last two years on the basis of security concerns, despite vocal objections from rights groups. Instead, a week's worth of LGBT rights—related events were held indoors, including a press conference in Belgrade's Media Center, conducted under police security. Three members of the European Parliament attended, including Marije Cornelissen of the Netherlands, who called the ban a disappointment and said the new government failed its first test by allowing extremists to win.²³ Swedish Minister for EU Affairs Birgitta Ohlsson warned: "This ban in a European city means discrimination, and that's not the Europe I want to live in. The EU won't accept inequality and homophobia."²⁴ Members of the LGBT community protested outside the Media Center where the other events were held.

The Serbian Orthodox Church remains influential and takes active positions on

a number of politically sensitive issues. Patriarch Irinej openly supported banning the gay pride parade in October.²⁵ Media also reported that the Holy Synod of the Serbian Orthodox Church had sent a strongly worded letter to President Nikolić demanding that the government reject the Integrated Border Management agreement with Kosovo, though it was not clear who sent the letter on the church's behalf.²⁶ Nikolić met with Patriarch Irinej a number of times in 2012, seeking support for government policy on Kosovo.

Independent Media

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
3.50	3.25	3.25	3.50	3.75	3.75	4.00	4.00	4.00	4.00

Every Serbian government since the country gained independence has promised to end state media ownership, but none has. Transparent media ownership and privatization are the main principles of the government's Media Strategy, which was adopted in 2011 but has yet to be implemented, despite a similar mandate in the 2003 Law on Media and EU pressure to expedite the process. The president of the Independent Journalism Association of Serbia (NUNS), Vukašin Obradović, warned in a July interview: " ... in this way the state wants to keep media under control by being its owner even if it knows that by owning media it is breaking the law."

With most media struggling financially, state ownership is one of the only ways to ensure their survival. Even outlets that criticize state ownership of media are not usually in a position to risk going it alone.

Media owned by the state or by persons with clear political interests became a ready political tool before and during the 2012 elections. The daily *Pravda*, for instance, is owned by an SNS member and promoted the party throughout the campaign season. The Bureau for Social Research said election reporting was characterized by "latent censorship" and "elements of propaganda." According to the report, positive coverage of incumbent president Tadić completely overwhelmed positive (or even neutral) discussion of challenger Nikolić in all mainstream media, including public broadcasters.

Media ownership in Serbia is opaque and volatile, contributing to the lack of reliably balanced and analytical reporting in the country. In July, the ownership structure of *Politika*, the oldest daily newspaper in the Balkans, changed overnight when German media group WAZ sold its 50 percent stake to East Media Group, a murky Moscow-based company registered in January 2012. The media reacted with shock to the sudden sale, hinting at foul play. Most political parties and press associations accused DS of being behind the sale, ²⁹ though DS denied these allegations. In November, the businessman and Delta Holding owner Miroslav Mišković announced his withdrawal from the daily *Press* after hiding ownership for years. In December, police arrested Mišković on corruption charges in connection with several privatizations.

Days after the end of the election season, *Pravda* canceled its print edition, switching to online publication only. The *Econom:east* magazine, which was connected to the former deputy prime minister for EU integration and minister of science and technical development, Božidad Đelić (DS), also stopped publishing only after the elections, despite the fact that the magazine had been unable to pay its staff's salaries for six months.³⁰ The daily *Kurir* founded another tabloid called *San*, which published for only a month-and-a-half.³¹ *Press* canceled its print edition in November. Also in November, Avala Television stopped broadcasting, with a new channel, Pink 2, appearing on its station almost overnight. The change came after regulators blocked the sale of Avala by co-owner Željko Mitrović, who also owns TV Pink, and stripped its broadcast license for failing to pay certain fees.³²

Internet use is rising in Serbia. In 2011, 41 percent of Serbian households had internet access, compared with 26 percent in 2007, according to the EC's October 2012 progress report.³³

Physical attacks and harassment of journalists continued in 2012. In September, the tires of Pink TV editor Mladen Mijatović were slashed. In two separate incidents in October, attackers threw Molotov cocktails at the homes of Damir Dragić, director of the daily *Informer*, and Kopernikus TV journalist Biljana Vujović. Also in October, family members of former B92 journalist Tanja Janković were attacked and beaten by police; several days later a bomb was found in their yard. None of these cases had been resolved by year's end. The murders of journalists Slavko Ćuruvija (1999), Dada Vujasinović (1994), and Milan Pantić (2001) are also as yet unpunished. In 2012, the government announced plans to form a commission to determine why the investigations have failed and launch new ones with the help of international investigators.³⁴

Defamation was officially decriminalized in December 2012. Earlier in the year, press freedom organizations had strongly criticized Serbia for imprisoning a journalist, Laszlo Šaš, who was unable to pay a 150,000 dinar (\$1,800) defamation fine. Šaš had been convicted of insulting ultranationalist Hungarian politician Laszlo Toroczkai in a 2007 article. Two weeks into Šaš's 150-day prison sentence, President Nikolić announced a presidential pardon and the journalist was released. Towards the end of his presidential campaign, Nikolić himself brought civil defamation charges against two dailies, *Kurir* and *Blic*, demanding 200 million dinars (\$2.4 million) from each.³⁵

Local Democratic Governance

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
n/a	3.75	3.75	3.75	3.75	3.75	3.50	3.50	3.50	3.50

Municipal governments formed relatively quickly after local elections in May 2012. However, after a state-level coalition emerged in July, a number of newly formed local governments reconfigured themselves to reflect the power dynamics at the central level (i.e., the exclusion of the DS from the ruling coalition). In Novi Sad, Serbia's second-largest city, the local government changed in September, with the SNS candidate becoming mayor. Prime Minister Dačić expressly stated that local governments should align with the state-level coalition wherever possible.³⁶

Belgrade proved a notable exception to this practice. Dragan Dilas was reelected mayor and the DS maintained power in coalition with the SPS. Representatives of the SNS announced after the elections that they would not participate in the Belgrade city administration out of respect for the party that won the majority there. Aleksandar Vučić, the SNS mayoral candidate, insisted that he could not be mayor because "it [was] known how the citizens of Belgrade [had] voted."³⁷ The coalition remained intact at year's end.

Most political parties publicly promote decentralization as necessary for balanced governance in Serbia. It was a key issue during the elections, and defined the URS party's entire political campaign. However, since coming to power the new government has done little more than pay lip service to decentralization, even going so far as to cut costs by shutting down the state Office of the National Council for Decentralization in October.

Before coming to power, SNS leaders warned of increased separatism in the Autonomous Province of Vojvodina, a multiethnic territory in northern Serbia. After Nikolić won the presidency and it became clear the SNS would join the new government, the Constitutional Court declared unconstitutional certain provisions in the law on establishing the jurisdiction of Vojvodina. Under the decision, Novi Sad can no longer be called the "capital city" but, rather, the "administrative center" of the province. Additionally, Vojvodina cannot have a representative office in Brussels or in other regions within its jurisdiction. ³⁸ Some Vojvodina-based NGOs said the ruling would drastically reduce the province's autonomy and characterized it as a serious threat to Serbia's development as a modern European country—one capable of returning Serbia to "the politics of centralization during Slobodan Milošević's regime." ³⁹ The DS, which won a majority in Vojvodina in 2008 and again in 2012, made campaign promises to protect the autonomy of the province.

Judicial Framework and Independence

2004	2005	2006	2007	2008	2009	2010	2011	2102	2103
4.25	4.25	4.25	4.25	4.50	4.50	4.50	4.50	4.50	4.50

Serbia's judiciary lags behind and impedes broader efforts to ensure rule of law in the country. Judicial reform in Serbia began in late 2009, but a number of its elements have proved problematic, and it has yet to be completed. In September, Serbia's new justice minister, Nikola Selaković, accused failed reforms of contributing to crime and corruption, and called the repair of the judicial system "an absolute priority." Fallout from these reforms is such that the Ministry of Justice has promised to reverse the unpopular measures and introduce no new ones. 41

Civil proceedings remain extremely slow and their effectiveness is hindered by poor implementation of judicial decisions, among other factors. In some cases, witnesses and even defendants do not show up in court. The backlog of cases continues to grow and was at nearly 3.34 million cases at the end of 2011, according to the Supreme Court of Cassation's analysis.⁴²

Among other changes, the judicial overhaul initiated in 2009 attempted to increase efficiency by merging the country's 138 municipal courts into 37 basic courts, a move that has actually limited access to justice, according to Judges' Association of Serbia President Dragana Boljević: "With slower proceedings and higher costs, the judiciary is less accessible, and the court network is nonfunctional." In October 2012, the government announced plans to roughly double the court network to 65 courts in 2013.

When the courts were merged, the number of full-time prosecutors, judges, and judicial employees was cut from 6,000 to 4,000. Particularly controversial was a related reappointment procedure in 2009 and 2010 that ultimately cost hundreds of judges and prosecutors their jobs. In July 2012, the Constitutional Court abrogated this procedure—carried out by the High Judicial Council (HJC) and State Prosecutorial Council (SPC)—because it was not impartial, as required by law, and because the SPC's decisions were based on criteria that could not be challenged by prosecutors. Some 300 officials who had appealed their non-reappointment had been reinstated at year's end.

The judicial system remains vulnerable to political influence. In December 2012, the Constitutional Court ruled unconstitutional the Law on Judges under which Nata Mesarović had been elected president of the Supreme Court of Cassation under the previous government, three years earlier. In November, Goran Knežević, SNS minister of agriculture, forestry, and water management, was acquitted of abuse of office charges after spending 13 months in detention. Knežević insisted the prosecution had been politically motivated and engineered by members of his former party, the DS. Also in November, President Nikolić pardoned—without explanation—former Red Star FC soccer player and president Dragan Džajić, who was arrested in 2010 on charges that he illegally received millions of dollars from the sale of four former Red Star players to foreign teams. The pardon came right after Deputy Prime Minister Vučić had reinstated Džajić as Red Star president.

In November, the Constitutional Court rejected a request to ban SNP Naši, a far-right extremist group. Similar organizations were banned in 2012, reflecting the subjectivity of such decisions.

Despite these shortcomings, the European Commission noted some improvements in judicial accountability during the year. The HJC and SPC introduced new internal disciplinary procedures, though the SPC has yet to establish the relevant bodies to investigate cases of misconduct and impose penalties. New laws to improve efficiency also came into force in 2012. In January, the new Criminal Procedure Code took effect in organized crime and war crimes cases, giving prosecutors primacy in gathering and presenting evidence in court. The code, which will apply to all criminal cases as of January 2013, is intended to reduce the length of investigations.⁴⁵

To ease chronic prison overcrowding, the government fast-tracked a bill to amnesty prisoners sentenced for up to three months; those sentenced to up to six months will see their prison time halved. Passed in October, the measure affects some 3,500 of Serbia's roughly 8,000 prisoners.

Corruption

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
5.00	5.00	4.75	4.50	4.50	4.50	4.50	4.25	4.25	4.25

Graft and misconduct remain widespread, especially in public procurement and privatization. The state has yet to establish a track record of investigating and prosecuting corruption, especially in high-profile cases. However, the new government has declared a strong commitment to anticorruption efforts and Deputy Prime Minister Vučić, who is also the coordinator of the Intelligence Services, has called the fight against corruption his "life mission." ⁴⁶ Vučić says investigations will be blind to political affiliation or rank.

There was a marked uptick in high-profile arrests in the last months of 2012. In early December, Miroslav Mišković, owner of Delta Holding, a conglomerate that is the largest private-sector employer in Serbia, was arrested in connection with over 20 suspect privatization deals. Between August and November, some 20 people were arrested on suspicion of abuse of office, bribery in capital valuation, and receiving fraudulent loans from the state co-owned Agrobanka, which saw its license revoked in May after regulators discovered that the bank was €300 million in debt.⁴⁷ Former Deputy Prime Minister Jožef Kasa was among those detained in what Vučić predicted would be a lengthy investigation.⁴⁸

Some members of the former ruling party DS were arrested or indicted in 2012. At the end of October, prosecutors indicted Oliver Dulić for abusing his former office as minister of environment and spatial planning by awarding the Slovenian company Nuba with a contract to install optical cables along Serbian roads without opening the opportunity to other bidders in 2009. In November, Saša Dragin, the former DS minister of agriculture, was also detained on abuse of office charges. The DS supports the fight against corruption while simultaneously accusing the ruling SNS of "political persecution" against its members. 49 Goran Knežević, who quarreled with his fellow DS party members when he was mayor of Zrenjanin, was charged with abuse of office and embezzlement of urban land in 2009. Knežević joined the SNS in 2010, and spent 13 months in detention before being acquitted in November 2012. Knežević's lawyers described the trial as a "political proceeding... in which he was found guilty in advance by President Boris Tadić and Minister Oliver Dulić."50 There are others who view Knežević's release after the new government took power as evidence of SNS pressure on the judiciary. Shortly after his release, Knežević was appointed minister of agriculture, forestry, and water management.

The alleged Balkan drug lord Darko Šarić remained at large in 2012, though at least 12 of his purported associates have already been indicted. Šarić and Montenegrin businessman Rodoljub Radulović, allegedly a key member of the venture, will be tried in absentia in 2013 before the Belgrade Special Court for Organized Crime. Šarić's alleged drug operation functioned largely unhindered until 2009, when authorities intercepted a shipment of 1.8 tons of cocaine bound for Europe from Argentina. Media speculated throughout 2012 that the network of people involved in Šarić's money-laundering efforts may have included politicians from the past and current ruling coalitions. ⁵¹

Serbia's Anticorruption Agency, established in 2010, is tasked with coordinating the work of state bodies in the fight against corruption, though in practice its accomplishments have been limited. In 2012, the agency began to implement the 2011 Law on the Financing of Political Activities.⁵² In October, the EC criticized the agency for failing to exercise the full scope of its powers and cooperate with various stakeholders to investigate asset declarations effectively.⁵³ In November, agency director Zorana Marković was dismissed by the agency's supervisory board for "actions harmful to the agency's reputation."⁵⁴ Marković is accused of shielding politicians from investigation and trying to allocate a state-owned apartment in Belgrade for herself. Lawyer Tatjana Babić was appointed acting director.

An official Anticorruption Council was formed in December 2001 as an advisory body to the government. Council president Verica Barać, one of Serbia's most respected anticorruption activists, died of cancer in March 2012. During Barać's tenure, the council issued approximately 30 reports on the most important corruption cases in Serbia, though few of the criminal complaints filed by the council has ever been prosecuted.⁵⁵

Nearly 50 percent of Serbians believe the level of corruption in the country increased in 2012, and almost 90 percent agree that corruption is a "common practice" in Serbia, according to a June poll by TNS Medium Gallup. ⁵⁶ Respondents reported giving bribes most frequently to doctors, police officers, and civil servants, and perceived corruption to be most widespread in public procurement. At the end of 2012, the government passed a new law, in line with EU and International Monetary Fund standards, to criminalize public procurement violations.

In 2012, the EU demanded that Serbia investigate and prosecute two-dozen controversial privatizations—a request it has made of every government for the last decade. An official 2012–16 anticorruption strategy was still pending at year's end.

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