

Bosnia-Herzegovina

by Jasna Jelišić

Capital: Sarajevo
Population: 3.8 million
GNI/capita: US\$6,780

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

Nations in Transit Ratings and Averaged Scores

	1999	2001	2002	2003	2004	2005	2006	2007	2008
Electoral Process	5.00	4.75	4.25	3.75	3.50	3.25	3.00	3.00	3.00
Civil Society	4.50	4.50	4.25	4.00	3.75	3.75	3.75	3.50	3.50
Independent Media	5.00	4.50	4.25	4.25	4.25	4.00	4.00	4.00	4.25
Governance*	6.00	6.00	5.50	5.25	5.00	n/a	n/a	n/a	n/a
National Democratic Governance	n/a	n/a	n/a	n/a	n/a	4.75	4.75	4.75	5.00
Local Democratic Governance	n/a	n/a	n/a	n/a	n/a	4.75	4.75	4.75	4.75
Judicial Framework and Independence	6.00	5.50	5.25	5.00	4.50	4.25	4.00	4.00	4.00
Corruption	6.00	5.75	5.50	5.00	4.75	4.50	4.25	4.25	4.25
Democracy Score	5.42	5.17	4.83	4.54	4.29	4.18	4.07	4.04	4.11

* 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.

NOTE: 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

During a year of near constant political crisis, Bosnia-Herzegovina (BiH) in 2007 continued trends begun in October 2006 when coalition parties with opposite views on the future of BiH won the general elections. The international community and European Union (EU) enthusiasts in BiH believed that the incentive to join the EU would be irresistible to the local political elites and would push them to make difficult compromises. That did not happen during 2007, and the country remained the only one (together with Serbia) at the end of the western Balkans “regatta” without even the first contractual relationship with the EU—a Stabilization and Association Agreement (SAA).

The previous High Representative (HR), Christian Schwartz-Schilling¹, sought to increase the focus on local ownership. However, he did not succeed in making domestic institutions function without international intervention. Instead the local political leaders assumed ownership by engaging in harsh nationalistic rhetoric and stalled the reform agenda. Yet there were no serious attempts by the international community to unblock the process or confront local actors who jeopardized all the major peace- and state-building achievements made since 1995. The situation was unstable and looked more like the beginning of the 1990s, when local elites first tried to “take ownership” in BiH, and the war started.

Politicians from the two Bosnian entities—the Federation of Bosnia-Herzegovina (FBiH) and the Republika Srpska (RS)—sensed that the international community had grown tired of keeping BiH together, so they returned to the rhetoric of the 1990s, reinforcing opposing views on the future of BiH. On the FBiH side, they insisted on preservation of BiH and a diminishment of the RS; and on the RS side, politicians advocated strengthening the RS and weakening the state. The international community was indeed looking for an exit strategy and an opportunity to finally close the Office of the High Representative (OHR). However, the announcement of the possible secession of the RS after the decision on the final status of Kosovo was crucial in delaying this decision. Linking Kosovo independence with RS independence as a follow-up remained an excellent negotiating chip for Serbia’s prime minister, Vojislav Koštunica, throughout 2007. This devastated the functioning of state institutions, despite frequent statements by international officials that the status of Kosovo and the status of the RS were not connected.

The new RS prime minister, Milorad Dodik—elected in October 2006, who firmly kept power in the RS in 2007—halted the strengthening of the state in 2007 and announced the return of the competences that had been previously transferred to the state.² On several occasions, he even threatened a referendum on RS independence while in the presence of international community representatives in

BiH. This rhetoric radicalized the political atmosphere, amplified by Haris Silajdžić's equally radicalizing rhetoric as the Bosniak member of the BiH presidency.

The new HR, ambassador Miroslav Lajčák³ arrived in July, promising that he would use all his powers to fully implement the Dayton Peace Accords and bring Bosnia closer to the EU under his second hat as the EU Special Representative (EUSR) in BiH.

The new HR/EUSR decided to focus on negotiations for police reform, since that was one of the most important preconditions for initialing an SAA with BiH. This reform needed to be accomplished before the European Commission finished its annual report on the country's progress, which would lead to either a recommendation or a decline by the EU to initial the SAA.

Despite the HR/EUSR's focused efforts, local political leaders failed to agree on police reform, and the SAA initialing was postponed. By the end of October, the ruling political leaders had only signed yet another agreement to, in effect, agree later. In the declaration, they promised to implement police reform in accordance with the three EU principles after they agreed on constitutional reform,⁴ yet they failed to follow up on these promises during 2007.

With the EU agenda off the table for the time being, the HR focused on Dayton implementation and announced a set of state-building measures to improve the decision-making system in BiH. These measures met a fierce confrontation in the RS, whose prime minister openly threatened to remove all RS officials from the state structures and possibly hold a referendum on secession.⁵ The Council of Ministers chair, Nikola Špirić, resigned on November 1 in protest of the measures. The country's tripartite presidency attempted to choose a new state-level prime minister and future government, which ended up with the same nominee, Nikola Špirić, who became Council of Ministers chair designate on December 27. The Špirić government remained in an interim mandate at the end of the year, bringing cabinet work largely to a standstill.

After a series of meetings between international community officials and the country's politicians, a deep institutional crisis was temporarily calmed by the end of the year. The BiH Parliament adopted the HR's altered measures, which was enough for the EU to give a green light to initial the SAA without the agreement on police reform. EU enlargement commissioner Olli Rehn traveled to Sarajevo and initialed an SAA with BiH on December 4 on the promise from domestic politicians to agree on police reform by mid-February 2008. Yet this seemed unlikely.

In general, the ruling coalition could not agree on any substantial solution that would lead to stability, sustainability, and the economic and democratic development of BiH. Their actions and public disagreements worsened the political situation in the country. Serbia's and Russia's opposition to the HR state-strengthening measures caused additional cautiousness in international community circles, which made the planned closure of the OHR in mid-2008 less likely, especially with the Kosovo status negotiations and the unilateral proclamation of independence by Kosovo Albanians foreseen on the horizon.

National Democratic Governance. In 2007, democratic governance in BiH had one of its worst years since the beginning of the Dayton Peace Accords implementation in 1995 and proved the fragility of the country's democratic institutions. The ruling coalition kept BiH in a constant political crisis, demonstrating a significant lack of progress on key reforms necessary for the final stabilization of the country and its Euro-Atlantic integration. The deteriorated political atmosphere, which the ruling coalition produced by not agreeing on any substantial reform and putting into question many state-building achievements in the post-Dayton period, posed substantial challenges to the stability of the country. The negative developments in 2007 proved that under the current constitutional setup, the potential for a sustainable, liberal democracy in BiH is very weak. *Owing to constant disagreements in the BiH presidency, a difficult and often stalled decision-making process in the BiH Council of Ministers, and very slow legislative activity in the BiH Parliamentary Assembly, in addition to RS government attempts to weaken the state authority and block the decision-making process, causing a serious institutional crisis at the end of the year, BiH's national democratic governance rating deteriorated from 4.75 to 5.00.*

Electoral Process. Elections in BiH are usually characterized as free and fair by international monitors, but the Law on Elections based on the Constitution continues to disregard the political rights of all citizens, especially minorities. There was no government pressure on opposition parties since they did not represent any serious threat to the ruling coalition. The opposition was too weak to confront BiH's ethno-nationalist political parties, which have a strong advantage provided by the electoral system. These parties dominated the political scene during 2007, determining the tone of public discussion and narrowing it to hard security issues. *Owing to a lack of improvement in the electoral dynamic in the country, BiH's electoral process rating remains at 3.00.*

Civil Society. Civil society is independent in BiH, and the rights of assembly and association are generally protected. There were no improvements in philanthropy and volunteerism during 2007. Dependence on foreign funding and low fund-raising capabilities remain a barrier to the long-term sustainability of nongovernmental organizations (NGOs) and the country's civic sector on the whole. Civil society organizations have not made any serious effort to pressure politicians to agree on reforms that would bring BiH closer to the EU, which according to polls is what more than 70 percent of the population wishes. The most visibly active civil society groups were those under the influence of politicians or religious groups, often serving the political agenda of elected politicians. Ethnic divisions, which still exist in education in BiH, continue to seriously hinder the reconciliation process. The framework Law on Higher Education was finally adopted; this could be recorded as an improvement if the government showed strong indications that it means to implement it swiftly, which was not noticed by the end of the year. *BiH's civil society rating remains at 3.50.*

Independent Media. BiH law provides for diversity and independence of the media. However, there are indications of strong alliances between political circles, business interests and media. Additionally, the media mostly represent the three dominant ethnic groups and are ethno-territorially defined. Special interests, both political and economic, exert influence on reporting and editorial independence and often lead to self-censorship. *These negative developments, combined with the still unresolved status of the broadcasting system and physical threats to journalists in 2007, have led to a worsening of the independent media rating from 4.00 to 4.25.*

Local Democratic Governance. Local self-government is not fully in place in BiH, since there was no significant improvement in the implementation of the entity legislation on local self-governance in accordance with the European Charter on Local Self-Governance. The RS authorities worked on producing amendments to the entity Constitution that would provide constitutional status for local self-governance, but these were not adopted in 2007, nor were there any practical steps toward real decentralization. The FBiH continued to ignore its obligations toward the European Charter on Local Self-Governance and the implementation of the FBiH Law on Local Self-Governance. As a consequence, the majority of local authorities continued to pay allegiance to the entity and cantonal authorities throughout BiH or face the threat of being overthrown. *Owing to a lack of improvement, the rating for local democratic governance remains at 4.75.*

Judicial Framework and Independence. The judiciary struggles to maintain its independence from the government, which tried to exert pressure on judges and courts. Respect for basic political, civil, and human rights is selective. The judiciary is slow, and abuses occur. Among the rare encouraging signs is the continuing good work by the Court of BiH, which so far has professionally handled cases of terrorism, war crimes, and organized crime offenses. The country still has no Supreme Court, which would harmonize legal systems throughout the country. *Owing to a lack of improvement and the political will to approach constitutional reform that would improve many aspects of the judiciary in BiH, the rating for judicial framework and independence remains at 4.00.*

Corruption. Corruption is widespread in BiH and combined with the country's constitutional setup presents a major impediment to political and economic development. The government's anticorruption efforts are inconsistent. Alliances between business and political circles seem stronger than ever. The high-profile corruption cases in 2007 and their outcomes have not improved corruption perceptions in BiH. *Owing to a lack of improvement in fighting corruption, BiH's rating for corruption remains at 4.25.*

Outlook for 2008. Substantial changes to the current government structure (based on the Dayton Peace Accords) are needed to create the conditions for sustainable peace, efficient functioning, and the stability of state institutions before the

international community can leave BiH without risking the loss of positive results that have been achieved since the peace implementation started in 1995. A year ago, it was a common argument in BiH that the country could not negotiate efficiently with the EU on its membership as long as it had such complex and uncoordinated government structures. Negative developments in 2007 demonstrated that the country not only lacks mechanisms for implementing the *acquis*, but struggles with basic functionality and stability.

There is a broad consensus among BiH parties and civil society that the Constitution of BiH provides neither functional and efficient state institutions nor a system capable of satisfying the demands of Euro-Atlantic integration.⁶ Constitutional reform remains an imperative for BiH's functionality, stability, and capacity to seriously approach an EU integration agenda. The rhetoric of local political elites that questions the survival of the entities or the state is likely to intensify in the coming year due to local elections (scheduled for October 2008). It was widely recognized that this would leave little chance for any constructive discussion on constitutional changes or improvement in democratic governance.

Throughout 2007, it was obvious that the ruling authorities strongly (and rightly) believed that the international community was focused on Kosovo, which they saw as an opportunity to test how far they could push their opposing demands without suffering serious consequences. As a result, the capability of the BiH government to create a calmer political environment in 2008 and deliver required reforms is questionable. The developments in Serbia and Kosovo also have a potential to raise tensions in BiH, which would prolong the life of the OHR and Bonn powers and likely prevent any faster progress toward the EU.

By the end of 2007, some actors in the international community seemed more decisive in their efforts to protect the political and financial investments in the survival of BiH. However, it did not appear that all major capitals understood the seriousness of the crisis in the country's functioning and stability. As developments in BiH always require careful treatment, the international community, and the EU in particular, would need to carefully design its future role, as well as policies in BiH that would contribute to BiH's long-term stability and country's capacity to acquire full membership in the EU.

MAIN REPORT

National Democratic Governance

1999	2001	2002	2003	2004	2005	2006	2007	2008
n/a	n/a	n/a	n/a	n/a	4.75	4.75	4.75	5.00

The political dynamic in Bosnia-Herzegovina (BiH) started to worsen in April 2006, when the first package of reforms to the Dayton Constitution failed to pass in the Bosnia-Herzegovina (BiH) Parliamentary Assembly. From that point, the political climate continued to deteriorate, followed by a prolonged process of government formation at all levels, with the exception of the Republika Srpska (RS) government, which formed immediately after the October 2006 elections owing to the sweeping victory of the Serb Union of Independent Social Democrats (SNSD).

This deteriorating trend continued in 2007 and the state-ruling coalition of intransigent parties put a halt to the Dayton Accords implementation and European Union (EU) reforms. In this setup, only one new law related to EU integration was adopted in the state Parliament in the first 12 months of its functioning.⁷

The new government of BiH was formed in February 2007. The SNSD and the Party of Democratic Progress (PDP), the Bosniak Party of Democratic Action (SDA) and Party for BiH (SBiH), the Croatian Democratic Union (HDZ) of BiH, and HDZ 1990 formed the ruling coalition. The Council of Ministers of BiH comprises parties with opposing stances on almost every substantial issue in Bosnia. Especially confrontational have been parties with influential leaders—namely, Haris Silajdžić and Milorad Dodik, on the Bosniak and Serb sides, respectively.

On several occasions during the year, RS prime minister Dodik announced the possibility of a referendum on the secession of the RS. Such a referendum would be unconstitutional and was opposed by the international community, but Dodik's rhetoric served to radicalize the political atmosphere. The same was happening on the Bosniak side, especially after the International Court of Justice (ICJ) announced the verdict in the *Bosnia and Herzegovina v. Serbia and Montenegro* case on application of the Convention on the Prevention and Punishment of the Crime of Genocide.⁸ After the verdict, BiH president Silajdžić made equally radical statements about abolishing the RS police inflaming the grievances of all who had suffered from the Srebrenica genocide and had personal knowledge of Serbia's involvement in the war in BiH.⁹

SNSD's Nikola Špirić became Council of Ministers chairman and promised to accelerate BiH's Euro-Atlantic integration process, stating that the securing of a Stabilization and Association Agreement (SAA) with the EU would be his top priority.

Expectations were low for the new government and sank further. The SNSD remained the strongest Serb political party in the RS, firmly determining developments in the RS as well as at the state level. Among the major Croat

political parties, the post-2006 election division of power between HDZ BiH and HDZ 1990 left bitterness that prevented the two parties from merging, despite several announcements. The major dynamic among the Bosniak parties was the competition between SDA and SBiH leaders to be “first among the Bosniaks” and their occasional alliances with the head of the Islamic community in BiH, Mustafa Cerić, and influential media outlets.

The first strong indications of nonfunctional governance strongly affected the decision of the Peace Implementation Council in February to prolong the Office of the High Representative (OHR) mandate until mid-2008. The other important factor in the decision was the delay in the Kosovo status settlement process—this negatively affected the political situation in BiH, since Kosovo independence was used by politicians in the RS and Serbia as a precedent for independence of the RS and dissolution of BiH.

RS prime minister Dodik projected an image of a proactive and economy-oriented government at the entity level, while stalling the majority of reforms at the state level and even questioning those that had already been adopted. The FBiH government performed even more poorly at the entity level since it took nine months to be formed. Even after it started working, it did not produce tangible results or deal in any substantive manner with reform in BiH (such as canceling the segregated and discriminatory education system, unifying Mostar, or agreeing on a law to regulate the federal broadcasting system). Political activity in the FBiH was focused on dividing control over the entity’s biggest economic assets among the political parties. In addition, the FBiH government could not devise any practical or strategic plan to respond to policy initiatives coming from Dodik and finally blamed the international community for not confronting the state-threatening initiatives of the RS prime minister.

Leaders from both entities demonstrated great inflexibility in reaching compromises on necessary reforms. The EU insisted on a reform that would place competences for police legislation and budget at the state level, design regional police areas on the basis of functional policing criteria, and free police from political interference. After months of nerve-wracking negotiations on police reform, the Bosniak position came down to the name of the RS police, while the Serb side argued continually over the first two EU principles, wanting to preserve a separate police force that would be financed through the consolidated state budget. Ruling coalition leaders failed to reach an agreement on police reform, thus stalling the EU initialing of an SAA with BiH. This unwillingness to make compromises demonstrated the local elites’ greater interest in narrow political goals than in BiH’s future in the EU.

Trying to secure BiH’s progress, High Representative (HR)/EU Special Representative (EUSR) Miroslav Lajčák put forward his own proposal for police reform reflecting the parties’ major concerns, but both sides—Serb and Bosniak—refused it.¹⁰ The Croat parties were fully cooperative in the process, basically accepting any kind of police reform that would secure an SAA for BiH. By mid-October even the Bosniak parties softened, but Prime Minister Dodik continued

with the argument that the preservation of the RS police means the preservation of RS and rejected the HR/EUSR's proposal.

Disappointed with BiH's stalemate, the HR/EUSR turned his attention to the full implementation of the Dayton Peace Accords and put forward a set of state-strengthening decisions on October 19. The HR's measures aimed at healing the "ailing" state system in BiH and strengthening the functionality of its institutions,¹¹ were fiercely opposed by RS politicians as well as the public. The RS threatened to withdraw its representatives from the state institutions, attacked the authority of the HR, and even threatened a referendum on secession from BiH. The PDP threatened to take the HR to the European Court of Human Rights (ECHR) in Strasbourg and tried to push the Peace Implementation Council to rescind the Bonn powers.¹² On the other side, the majority in the FBiH saw the HR's measures as a means of restoring the authority of the HR office and as a long overdue effort to unblock the BiH decision-making system.

Escalation of the political crisis was prevented momentarily by a meeting on October 28 of the ruling political party leaders; at that time, in the presence of the HR, they agreed to implement police reform in accordance with the future constitutional arrangement respecting the three EU principles (democratic equality, representative democracy, and participatory democracy). However, police reform still was not implemented by the end of the year.

While stalling reforms at the state level, the RS authorities intensified implementation of the Agreement on Special and Parallel Relations Between RS and Serbia, what many in the FBiH part of the country read as the RS turning away from BiH.¹³ The RS-Serbia Cooperation Council established a joint food reserves and electrical energy system in 2007, which parties in the FBiH saw as "the most flagrant violation of the sovereignty and territorial integrity of BiH."¹⁴

Even in the case of Bosnian obligations to the Central European Free Trade Agreement, which the BiH Parliament ratified in September, the coalition partners almost completely stalled the progress of reform. Also, the Indirect Taxation Authority Governing Board had problems in its functioning, failing again to agree on a lasting formula for dividing value-added tax revenues among the two entities and Brčko District.

Local authorities made no progress in transferring property from the entities to the state as required by the Law on Defense. The process of property transfer has been going on for three years. However, an agreement apportioning the ownership and use of state property had not been reached in 2007. In order to preserve state property, the HR used Bonn powers and announced decisions amending the laws on the temporary prohibition of disposal of state property in the RS and FBiH and on the transfer of social property into state property.¹⁵ The ruling coalition attempted to make a political charade even out of the selection of the state human rights ombudsmen, nominating candidates who were directly linked with major political parties.¹⁶

The ruling coalition also remained divided on building new highways. Corridor 5c,¹⁷ part of a 210-mile superhighway linking Budapest to the Adriatic Sea, was supposed to be Bosnia's fast track to Europe. The Bosniak and Croat officials in

the Council of Ministers of BiH believed that the corridor—the country’s largest public works project ever—should be coordinated from the capital. But the Serb representatives, in fighting almost all forms of state authority in 2007, claimed that building the road should be the entity responsibility and the RS government should be responsible for the part on its territory. There was no agreement on this issue. The struggle finished with the state institution funding the preparation of the project, while not having any competences to prevent the entities from undertaking uncoordinated activities in this regard.

Throughout the year, RS prime minister Dodik openly challenged the state sovereignty, directly linking the issues of Kosovo and RS independence. Facing a serious deterioration of the political situation, analysts speculated on whether the 2,500 EU peacekeepers currently deployed in BiH were sufficient.

Electoral Process

1999	2001	2002	2003	2004	2005	2006	2007	2008
5.00	4.75	4.25	3.75	3.50	3.25	3.00	3.00	3.00

During 2007, the Intergovernmental Working Group drafted amendments to the Law on Elections in BiH, Law on Conflict of Interest in the Governmental Institutions of BiH, and Law on Political Party Financing. The group also considered technical, constitutional, and political amendments to these laws. None of these was adopted by the end of the year.

There were improvements in the Central Election Commission (CEC) application of the Law on Political Party Financing, which strengthened the credibility of the CEC.¹⁸ Yet the commission faced problems with two successive appeal cases returned by the Social Democrat Party of BiH (SDP) and SDA. This new area for the Court of BiH caused difficulties and prevented the CEC from fully applying this law. There was no agreement on constitutional reform in 2007; hence the Law on Elections in BiH remained tied to the current constitutional setup, which utterly disregards the European Convention for Human Rights, especially its social and political protocols.

There were no regular elections in 2007. The parties’ finances continued to depend on their attachment to strong financial circles. Likewise, their political influence depended on the support of religious leaders, especially among Bosniaks and Croats. The RS-ruling SNSD for the first time turned to the Serbian Orthodox Church to gain support in areas that were not SNSD strongholds.

BiH authorities organize elections, and the OSCE has usually qualified them as free and fair and did so again after the early presidential elections in the RS. The electoral system in BiH is multiparty based, but political parties are still mainly national movements with a low level of expertise among top members. The exception is SNSD, which throughout 2007 was open to experts formulating its public stances and policies.

After the sweeping victory of SNSD in October 2006, the opposition in the RS has been effectively nonexistent, while in the FBiH, the strongest opposition party, SDP, has failed to stimulate any sophisticated and progressive debates that would draw public attention to serious social issues or put any significant pressure on the ruling parties.

There was no progress in increasing public engagement in political life in 2007. During the year, the population mostly continued to claim that “there is nobody to vote for.” Even when voters go to the polls, they do so on the basis of security and border issues stressed by ethnic leaders. The need for new faces and ideas in politics remained, as did the need to improve the democratic conditions of the election system.

Citizens have sufficient chances to participate in public life, while ethnic minorities and others remain discriminated against on the basis of the BiH Constitution and resulting laws. Jews, for example, cannot run for the BiH presidency, nor can any Bosnian who does not declare to be a Croat, Bosniak, or Serb. The head of the Jewish community in BiH, Jakob Finci, appealed to the ECHR in January 2007, alleging a breach by a participating state of the European Convention for Human Rights—namely, the right to run for public office. The electoral system is tailored to favor ethno-nationalist groups, and there is no real rotation of power within a range of political parties representing competing interests and policy options.

The RS president, Milan Jelić, suffered a heart attack and died in September. Early elections for his replacement were held on December 9, according to the decision of the CEC.¹⁹ The SNSD candidate, Rajko Kuzmanović, won with 41.33 percent of votes. The leading opposition party candidate, Ognjen Tadić (Serb Democratic Party, SDS), scored surprisingly high, winning 34.77 percent. The elections were deemed free and fair by the OSCE.

Civil Society

1999	2001	2002	2003	2004	2005	2006	2007	2008
4.50	4.50	4.25	4.00	3.75	3.75	3.75	3.50	3.50

It is difficult to assess the state’s role in the independent civic sector, as the state of BiH hardly exercised its powers during the year and the country’s institutions did not provide a positive environment for any sector, let alone civil society, while the lower levels of government showed no responsiveness to civil society demands. It was clear that civil society advocacy was not on their agenda unless the organizations were of a religious origin or a type that could be manipulated for political purposes or economic gain. This refers mainly to all three major religious communities in BiH, which tried to influence politicians or serve them in cases of a common agenda, or to veteran and union organizations, which often served political goals.

There was no significant growth in the number of charitable, nonprofit, and nongovernmental organizations (NGOs), nor were there significant improvements in the quality of performance of civil society groups or active public participation. The three primary religious organizations and their leaders (Islamic, Catholic, and Orthodox) were very active, never missing an opportunity to give their view on any major political issue (from future constitutional reform to the design of local police areas) or to support the claim of a particular political party.

There is little evidence that the government responded to civil society pressure since there were no well-organized advocacy actions connected to real issues in 2007. No NGO attempted to articulate the public demand for EU integration during the year. In a country where all polls show that more than 70 percent of the population wants BiH to join the EU, the NGO sector basically slept while politicians moved the country into isolation and blocked its progress toward EU membership in 2007.

The educational system remains divided. There were no improvements in this area during the year, and education remains one of the most devastating factors for the future of BiH because of the segregation that promulgates and deepens the country's nationalist divisions.

The RS and Serbian officials signed a protocol on building a school named "Serbia" in Pale, while Bosniak and Croat pupils in Croat-dominated cantons in the FBiH continued to be separated in schools. In some of them, Bosniak children enter through the back door and Croat children through the front. Pupils also remained physically separated during classes as a result of school scheduling; classes are organized in shifts which have breaks in-between that are long enough so the children from different ethnic groups cannot meet in school lobbies. The head of the OSCE mission in BiH, American ambassador Douglas Davidson, stated several times during 2007 that the current educational methods threaten BiH long-term stability.²⁰ Through the teaching of different histories, geographies, and languages, schools remained a means to separate the country's three constitutive peoples from one another.

There are arguments that segregated schools aim to secure self-protection of ethnic communities and their identities. However, the pre- and postwar empirical evidence shows that attending mixed schools has not diminished the ethnic identity of pupils. In addition, some media reports showed that pupils who go to mixed schools like them and oppose being separated,²¹ which suggests that ethnic political parties want to use the educational system to produce party "soldiers" who fear neighbors of different ethnic backgrounds. The educational needs of others (minorities, children from mixed marriages, and all who refuse to declare themselves as Serb, Croat, or Bosniak) continued to be ignored, since they effectively have no political representation.

Yet adoption of the long overdue state framework Law on Higher Education in BiH represented a step forward. The law was published in the *Official Gazette* on August 7, 2007, and was a result of a political compromise.²² Though imperfect, it provided a basis for further improvements in this area and a potential to bring

BiH's higher education toward European standards as envisioned by the Bologna process.²³ However, there were no strong indications in 2007 that the Council of Ministers would adopt all decisions necessary for the full implementation of this law.

Independent Media

1999	2001	2002	2003	2004	2005	2006	2007	2008
5.00	4.50	4.25	4.25	4.25	4.00	4.00	4.00	4.25

BiH media laws provide freedoms to broadcasters, but alliances between political groups and media and the resulting biased coverage are taken as a fact and considered normal. Developments in BiH in 2007 indicated that the public broadcasters were dedicated to more professional reporting and less willing to comply with demands of political power holders, while print media were much more open to biased reporting. In fact, it was sometimes difficult to identify who was controlling whom—did politicians control major print outlets by co-opting them in pushing their political agendas, or did the outlet owners have even greater influence over politicians, using these “alliances” to support their private interests?

There is a diversity of print and electronic sources of information, but the range of political viewpoints varies around the major political options in the country, which are now dominated by ethno-territorial biases. The use of the Internet is limited since the infrastructure is underdeveloped and still expensive, and a narrow interpretation of the regulatory laws so far has protected the dominant position of the three major telecom operators, which correspond to ethnically-defined territories.²⁴

No concrete progress has been made to adopt the long overdue Law on Public Radio and Television Service in FBiH. The law was adopted in two houses in different texts, and the Croat caucus in the House of Peoples invoked the vital national interest to which the texts must be harmonized.²⁵ This has not been done, and the proposed law was sent to the FBiH Constitutional Court for consideration.

Journalists and reporters are generally protected, but incidents occur, as in the case of Vitomir Popović, the Serb representative in the Office of the State Ombudsman for Human Rights. In the middle of his attempt to be reelected in October 2007, while responding to a journalist's question in his Banja Luka office, Popović openly threatened Federal Television (FTV) journalist Damir Kaletović, stating that the reporter and his editor in chief, Bakir Hadžiomerović, “deserve a bullet in their foreheads.”²⁶ This statement was broadcast on the Federal Television. The Society of BiH Journalists strongly condemned the threat and asked that the responsible organs, in accordance with their official duty, start a criminal investigation against Popović (who also served in a wartime government led by Radovan Karadžić).

Bosniak representatives in the FBiH Parliament on several occasions tried to exercise pressure on the Federal television, in response to criticism from this public broadcaster. RS prime minister Dodik also tried to exercise pressure on the national

BHT 1 by publicly criticizing its editorial policy. In the first half of the year, RS officials boycotted BHT 1 by not giving statements to its reporters.

Local Democratic Governance

1999	2001	2002	2003	2004	2005	2006	2007	2008
n/a	n/a	n/a	n/a	n/a	4.75	4.75	4.75	4.75

The entity governments made no serious progress in 2007 toward implementing the Laws on Local Self-Governance, which are in accordance with the European Charter on Local Self-Governance. Therefore, local communities continued to surrender competences and revenues that belong to municipalities to the (higher) entity and cantonal levels of government. The most vocal figure on this issue was the mayor of Foča, Zdravko Krsmanović. He claimed that 90 percent of public needs in the RS are solved by municipalities, while they enjoy only 10 percent of responsibilities and revenues and no budget to function effectively, which makes municipalities dependent on entity government. He stated publicly on several occasions that municipalities have no chance to run capital investment projects and day-to-day operations free from political and fiscal intrusion and pointed to “parasitism by the cantons and entities.”²⁷

According to current laws, municipalities may collect taxes, fees, and other revenues commensurate with their responsibilities, but their responsibilities are quite limited. The state and entity constitutions in BiH still do not provide for local self-governance. The RS government made an effort to prepare the local self-governance amendments to the RS Constitution, but they had not been adopted by the end of the year.

The RS diminished this positive development with attempts to overthrow local mayors who did not belong to the ruling SNSD, which seriously overshadowed efforts to strengthen local self-governance. The most famous case was the failed recall referendum against Mayor Krsmanović in Foča. This move was seen as politically orchestrated in Banja Luka as part of a strategy to remove mayors deemed “disloyal” or difficult to control.

Local communities in BiH want to be free to design and adopt programs that reflect local needs and conditions, but they have no resources to do so since higher levels of authority exhaust local resources without sending back proceeds. Mayors claim that they can make better use of their resources and collect revenues for the services they provide, which would cancel their dependency on top political figures in Sarajevo, Banja Luka, and Mostar and strongly contribute to increasing development of grassroots democracy.

Local authorities still widely fail to implement a constitutional obligation to employ municipality staff according to the 1991 census (the latest in BiH). The report of the FBiH Office of the Ombudsman from June 2007 identified grave violations

of citizens' basic rights established by amendments to the FBiH Constitution, implementation of the BiH Constitutional Court decision on constitutive people equality in BiH, and laws regulating their proportional representation in FBiH civil service on the basis of the 1991 census. Municipality offices across BiH are reported as almost or totally monoethnic,²⁸ and violations of these rights are significant in both parts of the country.

There was little progress toward the unification of Mostar during 2007 as the two ethno-political elites' divergent interests prevent the potential unification of the city.²⁹ The HR openly warned that no one in BiH should expect his support for any project that is ethnically selective and reassured that he will support everything that emphasizes the multiethnic character of BiH. These kinds of statements did not affect the practices of Mostar political leaders in 2007.

Brčko District is still a BiH oasis where ethnic politics did not play a major role and where the administration scored far better in terms of economic development and employment. Privatization in the district has been considered the most successful in BiH. In 2007, the Brčko District administration implemented an employment program supporting companies with business development plans. Compared with the entities, the Brčko administration achieved far more in improving the business environment, investment climate, and economic development. As a result, the gross domestic product per capita, as well as average net salaries, have been higher in the Brčko District than in the entities, and unemployment decreased in 2007.³⁰

The BiH Parliament adopted a Law on Amendments on the Law on the Council of Ministers in September, which established in law the Brčko District Coordinator's Office as a permanent body in the Council of Ministers. Brčko District still has no access to the BiH Constitutional Court since it has not been recognized in the BiH Constitution. The implementation of the Brčko Final Award is still pending, as is the adoption of amendments that would secure constitutional status for the district.

Judicial Framework and Independence

1999	2001	2002	2003	2004	2005	2006	2007	2008
6.00	5.50	5.25	5.00	4.50	4.25	4.00	4.00	4.00

Local political elites and the international community fully agree that changes to the Bosnian Constitution defined in Dayton are necessary. However, no progress was made in 2007 toward opening constitutional talks that would have any serious chance of succeeding. Progress on the EU membership path, a crucial issue for the future of BiH, was focused in 2007 on police reform as the key condition for initialing and later signing an SAA. The initiative of former HR Christian Schwartz-Schilling to open the constitutional reform process before he ended his mandate in

BiH was unsuccessful and was hurriedly dismissed by SDA president Sulejman Tihić in June.

A series of public discussions was organized throughout BiH in 2007, in which all participants agreed that constitutional reform was of critical importance for the future of BiH, but parties from FBiH and the RS remained utterly divided on the country's constitutional redesign. While most parties generally agree on protections for human rights in accordance with the European Convention for Human Rights, state institutions necessary for Euro-Atlantic integration, and the importance of constitutional recognition for local self-governance, the ruling ethno-nationalist parties are still divided on how to organize the middle level of government.

Prime Minister Dodik and his SNSD repeatedly proposed that Bosnia be organized as a federation, in which the RS, within its current entity borders, would be one federal unit while the other constitutive ethnic groups—Croats and Bosniaks—would get their own federal units, all with the possible right to self-determination through a referendum. The major Bosniak parties continued to argue for a decentralized country of multiethnic regions based on functional, economic, historical, geographic, and ethnic criteria.

The five Croat parties, which claim that constitutional reform is the most urgent issue for the Croat people in BiH (and want it before the end of the mandate of the current HR),³¹ signed a joint Declaration on Principles of the BiH Constitution in late September. They implied that their constitutional position in BiH and the FBiH leads to their disappearance as a people, while the position of Serbs and Bosniaks is far better secured in the Dayton framework. The Croat parties argued for the elimination of the current two-entity structure and the creation of a decentralized state organized on a consociation model and envisioned the possibility for a “territorially discontinuous” Croat federal unit, which would—at the middle level of government—link the separate Croat majority areas of Herzegovina and Posavina. This was the first time that the Croat parties verbally articulated the third-entity claim after the international community action in 2001, when this political project was demolished for the time being.

After the police reform failure and before the last session of the Peace Implementation Council of 2007 held in Sarajevo on October 30, the ruling parties signed a declaration in which they promised to start dealing with the issue of constitutional changes and implement long overdue police reform (on the basis of European principles, in accordance with the changed Constitution), but no progress on constitutional reform happened in 2007. The lack of international community guidance on what kind of constitutional setup would secure long-lasting stability and remove the obstacles on BiH's road toward Euro-Atlantic integration resulted in the development of three irreconcilable constitutional proposals by the three major ethnic political camps in 2007. This diminished the chances for any meaningful discussion on constitutional reform in 2008 among the major domestic political figures.

Excessive delays in the criminal justice system are still present, and some elected officials try to exercise pressure on the judiciary. The head of the High Judicial and Prosecutorial Council, Branko Perić, rejected the accusations of Prime Minister Dodik, which were viewed as a direct attempt to pressure the judiciary.³² On several occasions during the year, Dodik accused the Court of BiH of bias against Serbs; the court argued that its record of indictments related to war crimes and organized crime refuted Dodik's claims.³³

There has been insufficient cooperation among regional judicial bodies related to war crimes proceedings, and the impunity gap for war crimes suspects is still wide. The gap in BiH widened even further when Serbia announced it would award Serbian citizenship to those who claim Serbia as their motherland, which could be misused in the future. This was the case for former Croat member of the BiH presidency Ante Jelavić, who escaped from Bosnia in 2005 after being sentenced to 10 years' imprisonment by the Court of BiH for abuse of office, embezzlement of office, and lack of commitment in office³⁴ and who has been hiding in Croatia protected by his Croatian citizenship and the Croatian law that forbids extradition of nationals.

During 2007, there were discussions on a comprehensive domestic strategy that would prepare the BiH judicial system and its state court to cope with more than 10,000 potential war crimes cases. Soon after he took office in July, HR Lajčák used his Bonn powers to issue a series of orders that make the work of BiH's prosecutors and police easier to investigate, prosecute persons suspected of war crimes and those who help them evade justice, and make it harder for war criminals convicted by the Court of BiH to evade prison.³⁵ The practice in postwar BiH has been to send Bosnian Serb convicts to prisons in the RS, Croat convicts to prisons in Herzegovina, and Bosniaks to prisons in central Bosnia; such a practice is considered a serious deficiency.

Bosnia still has no state prison and needs to deal with the inadequacy of its detention system, as well as devise a strategy for dealing with youth delinquency and providing general correctional facilities. Some of these problems became obvious especially after the escape of former Bosnian Serb soldier, Radovan Stanković, from a prison in Foča in May (where he was serving a 20-year sentence for the enslavement, torture, imprisonment, and rape of non-Serb civilians during the 1992–1995 conflict in BiH).³⁶ Stanković was the first war criminal indicted by the UN tribunal to be transferred to BiH for trial. He escaped while being taken for a dental treatment. The nine prison guards who were escorting him did not shoot at him or at the car in which he fled, which was later found near the Serbian border with Montenegro. The escape highlighted the inadequacies of the overstretched and underfunded prison system in BiH and the urgent need for proper coordination among the country's law enforcement and judicial agencies.

Corruption

1999	2001	2002	2003	2004	2005	2006	2007	2008
6.00	5.75	5.50	5.00	4.75	4.50	4.25	4.25	4.25

During 2007, there was no significant improvement in the government's implementation of efficient anticorruption initiatives. The BiH economy is still not free of government involvement, mainly because of delays in privatization of state-owned capital, especially in the FBiH, where the government has delayed privatization of BH Telecom. On the other side, RS Telecom was sold to Telecom of Serbia above the market price, which was seen as more of a political than economic transaction, providing the RS prime minister with additional funds during an election year. The political and economic oligarchies remained intertwined in both entities, which provided favorable ground for corruption.

Some improvement was recorded in the RS, where the government adopted measures to speed up registration of businesses, while the FBiH was overwhelmed with its government formation and riddled with bureaucratic obstacles, among which business registration remained a nightmare and provided significant opportunities for corruption.

Additional improvement has been recorded at the state level in terms of enforcing the Law on Conflict of Interest and the Law on Political Party Financing thanks to the activities of the CEC. Sanctions and fines for political parties that break the law are still limited, but the process is moving in a positive direction.

The government regularly advertises jobs and contracts, but implementation of the Law on Civil Service still privileges ethnicity over professional capabilities, which became a discriminatory hiring tool in state, entity, and cantonal institutions.

According to Transparency International's Corruption Perceptions Index of 2007, BiH scored 3.3 and shares the 84–93 ranking with Macedonia, Montenegro, and several underdeveloped African and Asian economies. BiH lags well behind EU member states and accession candidates, and within the Western Balkans, only Albania stands behind BiH.

The auditor's offices at state and entity levels improved in producing well-founded reports on the financial dealings of the government, detecting major flaws in this area. However, follow-up on these reports by the prosecutor's offices and investigation agencies is not yet perceived as a matter of utmost importance. Corruption at all levels was present to such an extent that the public almost perceives it as normal. There were several prominent corruption cases in 2007, but the public remained silent and maintained the opinion that the crimes would likely go unpunished.

The BiH public did not react to corruption-related verdicts handed down to prominent officials and for the most part anticipated that the charges would be dropped under political pressure. HDZ BiH leader Dragan Čović, who was dismissed from the BiH presidency when the proceedings started, was sentenced to five years in prison for misuse of office. The BiH Office of the Prosecutor

appealed the verdict, demanding a 15-year prison sentence for Čović, while his defense insisted on dropping all charges. In September, the state court revoked the trial panel's verdict and ordered a retrial before the appellate panel. The decision stated that the appeals were upheld on the basis of essential violations of criminal procedure provisions.³⁷ The commencement of the trial before the appellate panel of the Court of BiH in this case was scheduled for November, and it was not over by the end of 2007.

Josip Merdžo, secretary of HDZ 1990, appealed a guilty verdict in an abuse of office case for which he was sentenced to one year in prison. The BiH Constitutional Court rejected his appeal and concluded that there were no violations of the criminal code since the verdicts of the FBiH Supreme Court and Mostar Cantonal Court included explanations with precise and justified reasons for applying the laws.

The Court of BiH also indicted the deputy Speaker of the BiH House of Peoples³⁸ and the president of the PDP, former BiH foreign minister and former RS prime minister Mladen Ivanić, for "abuse of office, criminal association, incitement to abuse of office, and giving gifts to a state prosecutor."³⁹

One more warning sign of corruption was a plot against Banja Luka regional prosecutor Milan Tegeltija, made public by the RS police. The police cautioned Tegeltija that criminal circles in RS and Serbia were planning an attempt on his life. Reportedly, the threat was connected to several organized crime, drugs, and arms-trafficking cases that Tegeltija had been handling.⁴⁰

Transparency International's 2007 Global Corruption Barometer showed the overwhelming influence of politics on the work of BiH police and a significant level of corruption in police, greater than in traditionally corrupt areas like health care and education. The Global Corruption Barometer distinguished administrative corruption (that happens between police and citizens) from high-level corruption, which includes political pressure and influence on police and security agencies.

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¹ Christian Schwartz-Schilling was High Representative and EU Special Representative in BiH from January 2006 to June 2007.

² Political directors of the Peace Implementation Council (PIC) Steering Board expressed concern over suggestions that certain reforms could be reversed unilaterally by entity decisions to retrieve competences previously transferred to the state. They stressed that an entity cannot withdraw unilaterally from a previously-agreed reform and firmly stated that the consolidation of state-level institutions must continue. See Declaration by the Steering Board of the Peace Implementation Council, October 30 and 31, 2007.

- ³ Ambassador Miroslav Lajčák is a high-ranking Slovak diplomat with extensive experience in the western Balkans.
- ⁴ “Deklaracija o preuzimanju obaveza za sprovođenje reforme policije s ciljem parafranja i potpisivanja Sporazuma o stabilizaciji i pridruživanju” [Declaration On Taking the Obligation to Implement Police Reform with the Goal of Initialing and Signing a Stabilization and Association Agreement], signed by six leaders of the ruling coalition in Mostar, October 28, 2007.
- ⁵ The HR’s approach and the measures he announced were firmly supported by the political directors of the PIC Steering Board during the session held in Sarajevo on October 30 and 31. The Russian Federation had a separate opinion expressing its “deepest concern by the consequences of the measures taken by the High Representative that change the procedures of the adoption of decisions by the Council of Ministers and the Parliamentary Assembly of BiH.” See more in the Declaration by the Steering Board of the Peace Implementation Council, Sarajevo, October 30 and 31.
- ⁶ See details in the “*Thirty-Second Report of the High Representative for Implementation of the Peace Agreement on Bosnia and Herzegovina to the Secretary-General of the United Nations, April 1–September 30, 2007*,” OHR, November 15, 2007, http://www.ohr.int/other-doc/hr-reports/default.asp?content_id=40835
- ⁷ It was the framework Law on Higher Education, which was finally adopted and gazetted in August 2007. See more in the *Report on Monitoring the Performance of the Parliamentary Assembly BiH*, produced by the Center for Civil Initiatives, available at <http://www.ccibh.org/data/PBiHsummary.pdf>.
- ⁸ See the judgment, *Application of the Convention on the Prevention and Punishment of the Crime of Genocide (Bosnia and Herzegovina v. Serbia and Montenegro)*, February 26, 2007, available at <http://www.icj-cij.org/docket/files/91/13685.pdf#view=FitH&pagemode=none&search=%22judgement%20Bosnia%22>.
- ⁹ The verdict stated that the RS army and police committed genocide in Srebrenica, and found Serbia not directly responsible for, but having played a role in, the genocide. The ICJ stated that Serbia violated the Genocide Convention for “not using its influence on the RS leaders to prevent genocide from happening in BiH”. On public perception of the verdict, see “Justice Unseen as Bosnians Awaits Translation of ICJ Verdict,” Balkan Investigative Reporting Network, April 25, 2007, available at <http://www.birn.eu.com/en/79/15/2682>.
- ¹⁰ The absurdity surrounding the protocol refusal is clear, considering the fact that the two most prominent Bosniak leaders, Haris Silajdzic and Sulejman Tihić, refused it on the basis of the argument that “it preserves the RS police,” while the major Serb leader, Milorad Dodik, refused it claiming that it “abolished the RS police.” Even after the refusal, the HR insisted on so-called technical negotiations, which continued with no results.
- ¹¹ See Office of the High Representative statement of October 18, 2007. Despite harsh criticism coming from RS political leaders, Lajčák was clear that BiH does not function as a healthy, normal state and the goal of the international community is to change that—since the international community cannot complete its mission until changes are made in the direction of establishing a stable, European, democratic, multiethnic society in Bosnia and Herzegovina. See press conference statement by High Representative Miroslav Lajčák, Sarajevo, October 19, 2007, available at http://www.ohr.int/ohr-dept/presso/pressb/default.asp?content_id=40693.
- ¹² The international media reported that the Russians promised not to block the HR’s decisions when they were announced, but when they were put forward the Russian government allied with Dodik, as the Russians allied similarly with Vojislav Kostunica, Serbian prime minister, over Kosovo. See “Bosnian Politics: Cracking Up,” *The Economist*, October 25, 2007.
- ¹³ Croat presidency member Zeljko Komsic, for example, was talking about “worrying political events,” referring to the meeting of RS and Serbian officials in Banja Luka in September, when the RS-Serbia Cooperation Council was formed, and questioned if agreements on special and parallel relations could be concluded without the approval of the BiH Parliament.

- ¹⁴ The RS and Serbia Ministries of Energy and Trade signed the first protocol on September 11, 2007. The protocol foresees construction of the school named “Srbija” (Serbia) in Pale and the Buk-Bijela Hydropower Plant in Foča municipality, which marked the beginning of the implementation of the Agreement of Special Parallel Relations between the RS and Serbia.
- ¹⁵ See more at the Office of the High Representative (OHR) Official Decisions web archive, <http://www.ohr.int/decisions/archive.asp>.
- ¹⁶ The case that took most media attention was the nomination of Vitomir Popović, one of the most influential figures in the Serb Democratic Party, as wartime minister in the government controlled by Radovan Karadzic.
- ¹⁷ Corridor 5c is a branch of the fifth Pan-European corridor. The longest part of this corridor goes through BiH.
- ¹⁸ In May, the CEC decided to fine the SDA on the basis of the Law on Political Party Financing with 34,000 convertible marks (US\$26,840) for receiving free services from Holiday Inn Hotel in an amount that exceeds the limit of contributions established in the Law on Political Party Financing. The SDA appealed to the Court of BiH. The CEC also fined the SDP in the amount of 555,000 convertible marks (US\$438,000) for the party’s violations of the Law on Political Party Financing.
- ¹⁹ The CEC verified the following candidates: Rajko Kuzmanović (SNSD), Mladen Ivanić (PDP), Ognjen Tadić (SDS), Slobodan Popović (SDP), Nedžad Delić (Democratic Party of Invalids BiH), Anton Josipović (NSRzB), Krsto Jandrić (NDS), Nikola Lazarević (European Ecological Party E-5), Mirko Blagojević (SRS ‘Dr. Vojislav Šešelj’).
- ²⁰ “Education belongs to a ‘soft area’ of security and over the long term may pose just as great a threat to a country’s stability as people with guns,” stressed Ambassador Davidson. See “The Current Educational Methods Threaten BiH Stability in the Future,” interview of Ambassador Douglas Davidson, FENA, Sarajevo, September 4, 2007.
- ²¹ “Zajednička jezgra na promaji” [Common Curricula on Draft], Radio Free Europe, TV Liberty, available at <http://www.slobodnaevropa.org/content/Article/870280.html>.
- ²² The current law in its original form was submitted by the Bosnian Council of Ministers to the Parliament for urgent adoption in June 2006, but it took over a year of further arguments before it was finally passed. The local politicians appeared ready to sacrifice this important EU accession–related reform in order to preserve their political and financial control over education, holding BiH’s higher education reform a hostage for almost three years.
- ²³ The Bologna process aims to create a European Higher Education Area by 2010, in which students can choose from a wide and transparent range of high-quality courses and benefit from smooth recognition procedures. See the Bologna declaration at <http://www.crue.org/eurec/bolognaexplanation.htm>.
- ²⁴ All three major telecom operators in BiH are under some form of control of the three ethnically-determined political elites.
- ²⁵ “Vital national interest” is a constitutional instrument for the protection of the national interests of the three constituent peoples in BiH.
- ²⁶ See the official statement of the Society of BiH Journalists (Drustvo novinara BiH) from October 3, 2007. Web link with the footage is available on You Tube <http://www.youtube.com/watch?v=ajhhy68IEIE>.
- ²⁷ Krsmanović publicly claimed that the RS government has been exploiting Foča’s highly profitable natural resources such as timber and hydroelectric power, yet it has returned none of the revenue to the municipality through capital investment. See Kurt Bassuener and Vanja Filipović, “Bosnia: Mayor with a Plan,” *Transitions Online*, July 3, 2007.
- ²⁸ The Serbs have been dominantly employed in the RS municipalities and other institutions, while, according to the ombudsmen reports, they have been discriminated against when searching for employment in FBiH municipalities’ institutions. For more details, see *FBiH Ombudsman Report on FBiH Institutions Violating Constitutional Provisions Related to Proportional Representation in the Executive Bodies*, June 2007.

- ²⁹ See more in Chapter 12 of the “*Thirty-Second Report of the High Representative for Implementation of the Peace Agreement on Bosnia and Herzegovina to the Secretary-General of the United Nations, April 1–September 30, 2007*,” OHR, November 15, 2007, http://www.ohr.int/other-doc/hr-reports/default.asp?content_id=40835.
- ³⁰ For specific data, go to BiH Directorate for Economic Planning: <http://www.dep.gov.ba/bh/index.php>.
- ³¹ The current HR has a mandate until June 2008, and it can be extended by decision of the Peace Implementation Council.
- ³² The HJPC complained about Dodik’s “continuing negative and undermining public statements with the exclusive aim to discredit the judiciary, and systematically diminish the successes of the judiciary reform.” See HJPC’s open letter: “VSTV otvoreno pismo Miloardu Dodiku, premijeru RS: Reagovanje VTVS-a BiH na Vase istupe u javnosti” [HJPC open letter to Milorad Dodik, prime minister of the RS: HJPC Reaction to Your Public Statements], BCTC-08-1750-24082007, August 24, 2007.
- ³³ “Dodik pritiska sud” [Dodik Is Pressuring the Court], *Glas Javnosti*, Beograd, August 14, 2007, and official page of the Court of BiH, <http://www.sudbih.gov.ba/>.
- ³⁴ See the verdict in the case against Ante Jelavić, Court of Bosnia and Herzegovina, Sarajevo, November 4, 2005. http://www.sudbih.gov.ba/files/docs/presude/2005/Jelavic_ENG_KPV_10_04.pdf.
- ³⁵ The HR ordered the seizure of passports and travel documents of 93 persons being investigated for war crimes and for being a part of the network to help fugitives from the ICTY to evade justice, and who were the subjects of investigations that were already opened by the BiH prosecutor. The investigations involved mostly people who were on the so-called Srebrenica List. Of the 93 individuals, 35 were serving members of the RS police and were suspended by his decision until the indictment or closure of their files. Dragomir Andan was removed from his position as deputy head of administration for police education of the Ministry of the Interior of the RS; see more at http://www.ohr.int/decisions/removalsdec/default.asp?content_id=40172.
- ³⁶ See the verdict in the case against Radovan Stanković, Court of Bosnia and Herzegovina, Sarajevo, March 28, 2007. http://www.sudbih.gov.ba/files/docs/presude/2007/Radovan_Stankovic_-_Final_Verdict_-_ENG.pdf
- ³⁷ “Bosnian State Court: Verdict in Case of Former Bosnian Resident Dragan Čović and Others Revoked,” Sarajevo, *Bosnia News*, September 28, 2007, available at <http://bosnianews.blogspot.com/2007/09/bosnian-state-court-verdict-in-case-of.html>.
- ³⁸ Bosnia-Herzegovina has a bicameral parliament comprising the House of Representatives (42 members) and the House of Peoples (15 members). The House of Peoples consists of 5 Bosniaks, 5 Croats, and 5 Serbs elected by entity-level institutions. Two-thirds of the members of the House of Representatives are elected from the FBiH and one-third from the RS.
- ³⁹ During his mandate as prime minister in 2001 and 2002, Ivanić allegedly allowed a company, Srpske Sume (Serb Woods), to cut wood in a forest of the northwestern municipality of Ribnik without proper authorization. The damage was estimated at some 263,000 euros (US\$407,000). Four other PDP members were also accused of collecting at least 51,000 euros (US\$79,000) from the company, Srpske Sume, for campaigning in 2002. In 2006, Ivanić and two other people tried to offer 50,000 euros (US\$77,000) to an internationally appointed prosecutor working with the Bosnian State Court in exchange for dropping charges against them, according to the indictment. “The State Court Indicts Ivanić,” FOCUS News Agency, October 26, 2007.
- ⁴⁰ “Banja Luka Regional Prosecutor Allegedly Targeted for Assassination,” *Nezavisne Novine*, Banja Luka, January 4, 2007.