Article by Amb. Jacques P. Klein, Principal Deputy High Representative

Usluge. Everyone in Bosnia-Hercegovina knows what it means: it is the oil that has always made the wheels of daily life here turn, the old and cosy system governed by the attitude, “You scratch my back, I’ll scratch yours, and we’ll all get along just fine.” It is a mark of the prevalence of this attitude, of how deeply embedded it is in this country’s culture, that the term “usluge” doesn’t need explaining – not even to a foreigner like me.

Well, fine, if that’s the way you want it. It’s your country. Of course, if I were a Bosnian, I wouldn’t stand for it, because in reality, usluge is simply an easy euphemism for official corruption – the mechanism by which honest, decent and hard-working citizens of BiH are silently, but systematically and ever so thoroughly, being ripped off. Let us be clear about this: hundreds of millions of KM are disappearing from public funds every year.

Alija Izetbegovic recently dismissed allegations of official corruption with the remark, “So show me the swimming pools,” but Mr Izetbegovic misses the point. Corruption comes in many shapes and forms. It tends to be hidden rather than brazen and ostentatious. It doesn’t necessarily involve money: it means any kind of advantage gained by using your position in officialdom – circumventing red tape to get you street paved, upgrading your apartment, getting a new car, awarding public works contracts to relatives or friends.

This type of activity exists at every level of Bosnian officialdom. It is, perhaps, the biggest single obstacle to BiH’s economy becoming self-sustaining. As long as corruption

thrives, the country's economy can never, to borrow a well-worn phrase from Madrid, "start to stand on its own two feet." Continued corruption means ordinary Bosnians won't get their roads, schools and houses rebuilt, their electricity reconnected, their pensions paid on time, or jobs created for them.

The much publicised events in Tuzla serve to illustrate my point. The obligations of the judiciary in this canton appear to have been systematically ignored. Over 30,000 legal cases are waiting to be heard in Tuzla Podrinje (Canton 3), according to a recent report: a backlog so large as to be scarcely credible. Yet last year the courts heard just 1150 cases. Of those, 72 per cent resulted in probation for the accused. No other country in the world has a judiciary that operates like this. Could it be the fault of the judges? Perhaps – but given that in 1998 there were just 70 appeals, the far likelier cause is a spectacularly inefficient prosecutors' office. Tuzla's Cantonal and Municipal prosecutors, along with their deputies and the Cantonal Ministry of Justice, now finally face removal.

The Cantonal authorities cannot claim they were not warned. OHR removed the Tuzla Minister of Interior in April, following evidence that he had blocked an investigation into a range of corruption allegations. Since then, however, the prosecutors have continued to impede the investigation, even choosing to evade a Federation Financial Police report containing a weighty 4,000 pages of evidence.

It is worth examining some of the allegations. The authorities in Tuzla are accused of repainting the Canton's schools – which, incidentally, are barely heated in winter – four times in a year. The decorating contract was issued without any competitive tendering, in clear breach of an August 1998 Federation Procurement Law. Can it be coincidence that the contract was awarded to a former governmental official?

Tuzla authorities have alledgedly spent public money in other curious ways. There is talk of unnecessarily expensive medical equipment, and of a vast fleet of “official” cars. Most poignant of all, however, is the now infamous tombstone scandal. The authorities ordered 300 tombstones, some of which were for the victims of Srebrenica, at a cost of over KM 300,000. Fair enough: war victims more than anyone deserve dignified graves. The bill for the tombstones, however, was paid in advance – an unusual practice, to say the least. And then only 250 tombstones were delivered. The financial police checked the books: KM 57,500 of public money had indeed been spent on non-existent tombstones. What a terrible insult to thousands of innocent victims who died.

The financial police went to both the municipal and the cantonal prosecutors and asked them to investigate. The prosecutors dismissed the case on the sole basis of a statement from the suspect, who claimed that the tombstones were in fact safely in storage in a Visoko warehouse. OHR went to Visoko. No tombstones – just an empty warehouse.

This affair represents corruption in its purest form, what in America we call a “kickback.” Someone, somewhere in Tuzla officialdom has made KM 57,500 by exploiting the memory of those unfortunates massacred at Srebrenica. One wonders what the widows’ associations must make of such shameless cynicism. Haven’t they suffered enough?

The Tuzla prosecutors are not doing their job. Indeed, for whatever reason, they are guilty of the grossest negligence. But I have no particular wish to single out the Tuzla prosecutors, nor even to point the finger at a Bosniac-controlled canton. Think of the horse-racing track being built in Sanski Most, with municipal funding but without any competitive tendering. Is this really the best use of public funds in a municipality that is overwhelmed by DPs?

My point is that corruption exist throughout Bosnia

Herzegovina. OHR is currrently monitoring cases in Sarajevo, Livno, Sanski Most, Bihac, Mostar, Stolac, Banja Luka and elsewhere.

Stamping out corruption is not about politics: it is about ensuring the rule of law, establishing a functioning economy for Bosnia Hercegovina, and bettering the lives of ordinary citizens. There are no accurate statistics for how much corruption is costing the BiH public in terms of lost revenue, although it is perhaps significant that, last year, the Federation budget was 40 per cent under-funded. Some observers suggest that the black economy accounts for as much as 70 per cent of Bosnia's GDP.

It is at the Cantonal level that efforts to combat corruption must begin, since it is the Cantons, in the Federation at least, which still control public spending in this country (One only has to compare the Cantonal budget of, say, Tuzla Podrinje, which ran at several hundred million KM last year, to that of the BiH State budget, which is less than KM 50m).

As in my country, the people of Bosnia Hercegovina have a right to transparency, and above all to accountability. Cantonal officials are democratically elected, which means they have a constitutional duty to ordinary voters. Public servants work for the people, not for special interests.

If I were a Bosnian I would organise petitions and demonstrations to demand that Cantonal budgets are widely publicised, and that periodic updates on spending are made available to the public. I would pay particular attention to budget categories labelled "discretionary spending" – such categories should be small, not large. I would write to the officials I elected and ask them why the prosecutors are not doing their jobs. All this is in your interest, because the donors who currently support the BiH economy are not inclined to tolerate the waste of money that their own tax-payers are working so hard to provide.

Corruption threatens BiH’s future and the future of ordinary Bosnian families. They deserve better than this. While corruption survives, there can be no hope of economic self-sustainability, and no question of it becoming a member of the European family of nations in which BiH rightfully belongs. In the end it is up to you, the ordinary voters, to see that corruption is identified and stamped out, wherever it may hide. It is, after all, you and your children who pay the price for public malfeasance.