

# Wine, dog food and Bosnian clichés

# False ideas and why they matter

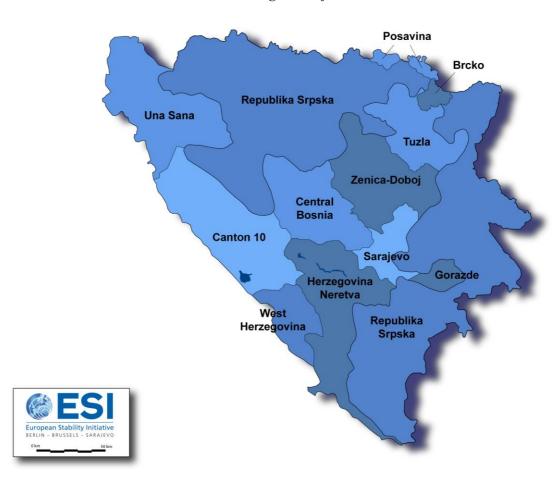


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### **Table of contents**

| CLICHÉS, BIAS AND THE SUN'S VIEW OF BOSNIA                      | 3  |
|---|----|
| 1. Ethnicity is central to daily life                           | 4  |
| 2. Bosnian politics is all about ethnicity                      | 6  |
| 3. Bosnian politics is dominated by three ethnic parties        | 10 |
| 4. Bosnia has too many politicians                              | 12 |
| 5. In Bosnia elections change nothing                           | 14 |
| 6. The master cliché: Bosnia is uniquely dysfunctional          | 18 |
| ANNEX: RICH CANTONS, POOR CANTONS AND HOW TO TALK ABOUT REFORMS | 21 |

## Bosnia and Herzegovina's federal units



#### Clichés, bias and The Sun's view of Bosnia

In 2008 the former High Representative Paddy Ashdown warned that "there is a real threat of Bosnia breaking up again ... even a brief spell of wrong-headedness can quickly become the prelude to enduring tragedy." In 2011 Ashdown warned the EU that unless it acted decisively, "bloodshed will return to Bosnia." In 2013 two US-based analysts warned that Bosnia remained "at war" and that "the dynamics of war-era polarization still rage, captive to venal leadership and a defunct constitutional order." In May 2015 an article in Foreign Policy argued that Bosnia faces "deeper and nearly irreparable injury." In November 2015 Ashdown warned about "things going to become worse", with the "potential for a dangerous and even tragical situation."

The last decade saw many dramatic events in and around the European Union: 2008 saw the outbreak of war between Russia and Georgia. In 2011 the Arab spring shook the foundations of politics in North Africa and the Middle East. In 2014 there was a referendum on Scottish independence. Mass protests changed the regime in Ukraine and triggered a war between Ukraine and Russia. In 2015 new fighting erupted in Turkey's South East. In 2016 the British voted for the United Kingdom to leave the European Union, and Turkey experienced a military coup attempt. In 2017 the Catalan parliament declared independence from Spain. By comparison to the dramatic politics of North Africa, the Middle East, Turkey, Ukraine, the Caucasus and even the British Isles Bosnia and Herzegovina (in this report "Bosnia") appears a model of stability. And yet, the categories with which Bosnia is being analysed have hardly changed as a result.

In 2001, Frederic Brochet, a researcher from Bordeaux, asked 57 oenologists to evaluate two glasses of wine. What the experts did not know: it was a set up. "The wines were actually the same white wine, one of which had been tinted red with food coloring. But that didn't stop the experts from describing the 'red' wine in language typically used to describe red wines. One expert praised its 'jamminess,' while another enjoyed its 'crushed red fruit." <sup>6</sup> Brochet concluded that "you taste what you are expecting to taste. They were expecting to taste a red wine, and so they did." Studies reviewed by the American Association of Wine Economists confirm that much of what we savour is in our heads. And what was found to be true for wine also holds for mineral water and dog food. In blind tasting experiments people failed to distinguish dog food from expensive paté. One research paper concluded that "even if dog food

Paddy Ashdown, "Europe needs a wake-up call. Bosnia is on the edge again", The Guardian, 27 July 2008.

<sup>&</sup>lt;sup>2</sup> The Telegraph, "Bloodshed to return to Bosnia, says Ashdown", 27 May 2011.

Bruce Hitchner and Edward Joseph, <u>"How to finally end the war in Bosnia"</u>, *Balkan Insight*, 12 February 2013.

Edward Joseph, "The Balkans, Interrupted", Foreign Policy, 10 May 2015.

<sup>5</sup> Dnevni avaz, "BiH moze, mora i bit ce moderna evropska drzava", 7 November 2015.

Johan Lehrer, <u>"Should we buy expensive wine?"</u>, *Wired*, 26 April 2011.

The New Yorker, "The red and the white", 19 August 2009; The New Yorker, "Does all the wine taste the same", 13 June 2012; Katie Kelli Bell, "Is there really a taste difference between cheap and expensive wines?", Forbes, 7 September 2009.

See for example: American Association of Wine Economists: "Do More Expensive Wines Taste Better?

Evidence from a Large Sample of Blind Tastings", AAWE Working Paper No. 16, April 2008.

Charles Fishman, "Message in a Bottle", Fast Company, 1 July 2007. Another experiment found that "in blind taste tests, with waters at equal temperatures presented in identical glasses ordinary people can rarely distinguish between tap water, springwater, and luxury waters. At the height of Perrier's popularity, Bruce Nevins [then the CEO of Perrier in the US] was asked on a live network radio show one morning to pick Perrier from a lineup of seven carbonated waters served in paper cups. It took him five tries."

is safe for human consumption, it must overcome considerable prejudice. *Part of the barrier is the perception that dog food is unpalatable*."<sup>10</sup>

The link between wine, dog food and politics is the notion of *confirmation bias*. Expectations shape what we perceive. In the case of Bosnia, analysts generally expect that they are dealing with dog food, not pâté. The dominant clichés are that Bosnia is riven by ethnic hatred; that therefore political stability can only ever be fragile; that the constitutional arrangement which ended the war in 1995 reinforces communal tensions; and that the country remains perpetually on the verge of violent collapse. Many accounts conclude from this that Bosnians are fanatics and pose a threat to the rest of Europe. As an article on 10 April 2016 in the British daily *The Sun* put it, the ex-Yugoslav state has become a "breeding ground" for terrorism. It claimed that it is "home to three million Muslims" (which is wrong), on "the way to become a full [EU] member after 2020" (wrong), and that Bosnian weapons "were used in the 2015 terror attack on the Charlie Hebdo magazine offices in Paris" and in "the Bataclan theatre massacre." (The ammunition used in the first attack was produced in Yugoslav Bosnia in 1986, and the rifles used in the second in Serbia.) The paper continued:

"Brexit campaigners have also warned that UK taxpayers will have to send millions of pounds to prop up Bosnia's struggling economy – cash which could fall into the hands of terror groups." 13

This is, alas, what one might expect from a British tabloid on the eve of the Brexit referendum. However, too many serious commentators and publications use similar language and images when it comes to Bosnia today.

Clichés are terrible guides to action. They distort how other countries deal with Bosnia. They led the EU to conclude for many years, against actual experience, that Bosnian leaders were incapable of coordinating their responses to EU conditionality. <sup>14</sup> Clichés divert limited attention from real problems and how to form reform coalitions to address them. <sup>15</sup> It is time to take a closer look.

#### 1. Ethnicity is central to daily life

In November 2015 Radio Free Europe published an article under the title "Bosnians are an upset, divided nation." It described how on the 20<sup>th</sup> anniversary of the Dayton agreement "the

American Association of Wine Economists, <u>"Can People Distinguish Pâté from Dog Food?"</u>, AAWE Working Paper No. 36, April 2009.

The Sun, "Don't let them in: As Bosnia bids to join EU, experts say ex-Yugoslav state is now 'breeding ground' for terrorism", 10 April 2016.

The Telegraph, "Charlie Hebdo attack: French police investigate whether there was a fourth Paris gunman", 17 January 2015; Reuters, "Some guns used in Paris attacks produced in ex-Yugoslavia's arsenal", 28 November 2015.

The Sun, "Don't let them in: As Bosnia bids to join EU, experts say ex-Yugoslav state is now 'breeding ground' for terrorism", 10 April 2016.

We analyse this in Escaping the first circle of hell or the secret behind Bosnian reforms (10 March 2016): "The idea that Bosnians cannot coordinate when it comes to EU matters is a stubborn and widely spread conventional wisdom. It is also wrong. The history of relations between Bosnia and the EU since 2000 provides a simple and clear answer to the question of whether Bosnians can coordinate: whenever Bosnian institutions were seriously challenged by the EU to co-ordinate, they were able to do so and surprised their European counterparts."

We examine structural problems and inadequate policy responses – which fuelled violent social protests in early 2014 – here: Protests and Illusions – How Bosnia and Herzegovina lost a decade.

war's shadows hang stubbornly" above Bosnia. <sup>16</sup> The authors found that the "ethnic rifts that plunged the Balkan nation into war" still shape daily life. Bosnia suffers from "a dysfunctional, deeply flawed system of governance that exacerbates ethnic tensions" and "reinforces separatism and nationalism." At the centre of the article is the story of two Croat pensioners, Marko and Kata Pranjic, trapped in an absurd situation in a small village close to Doboj in Republika Srpska:

"The line that divides Bosnia into separate, ethnically based entities runs right through the elderly couple's village – and through their home. 'When we returned to Makljenovac, there was a note on our front door informing us that the entrance to our house was now located in the [Bosniak-Croat] federation, while the rest of the house was in Republika Srpska,' Marko Pranjic recalled with a forced laugh. The bizarre situation he and his wife are still enduring is a glaring example of the divisions that affect daily life in Bosnia in many ways, large and small, and underscore the ethnic rifts that plunged the Balkan nation into war after Yugoslavia's breakup." <sup>17</sup>

Marko and Kata Pranjic, now in their 80s, fled their village in 1992 when it was on the Serb side of the frontline, and returned in 2000 to find their house destroyed and surrounded by trenches filled with mines and granades. After demining and reconstruction, they moved back in in 2003.

A few weeks after the Radio Free Europe article concluded that Bosnia "is not like other countries", ESI visited the Pranjic family in their village. <sup>18</sup> They were puzzled to hear about how their life has been described. Their story is indeed fascinating: two elderly Croats returning to a majority Bosniak village in Republika Srpska, and finding a normality that would have seemed inconceivable two decades ago. It reflects the profound changes that have taken place in Doboj in recent years. <sup>19</sup> Their daily life is mostly shaped by Republika Srpska institutions: documents are issued in the city of Doboj, their pension is paid from the Republika Srpska pension fund, electricity and phone services are provided by Republika Srpska utilities. Marko noted: "I buy groceries here in the Republika Srpska because it is close. I go to Doboj to hospital and I get my pension there. I never have problems in Doboj and whenever I visit neighbours in the Federation I do not notice crossing a border." They told ESI that they have good relations with all their neighbours. Their two closest neighbours are Bosniak and Serb. When, in May 2014, Doboj was hit by severe flooding and the Pranjic's barn was flooded, they were too weak to bring their animals to a dry area. Kata called on two men passing by:

"I think they were Serbs, I am not sure, but I called them to help us with the animals and they did. I remember those days, some people lost everything. It was not about who was Croat, Muslim or a Serb. Everyone was helping everyone."

Most of the inhabitants of the small village today are Bosniaks who returned to Republika Srpska after the war. Haris, a teacher in the village school, explained that the school is attended by 54 Bosniak pupils, 4 Serbs and 3 Croats:

"They all go to the same classes. When we have language classes, our Serb pupils learn Serbian according to the curriculum from the Ministry of Education of Republika Srpska.

ESI's visit to Makljenovac took place in December 2015.

Radio Free Europe, "20 Years After Dayton Peace Deal, Bosnians Are An Upset, Divided Nation", 20 November 2015.

<sup>17</sup> Ibid

For more on how profound changes in interethnic relations in Doboj after 1996 illustrate the success of the international intervention in Bosnia see Rory Stewart and Gerald Knaus, <u>Can Intervention Work?</u>, 2011.

Croat pupils learn Croatian. Bosniak pupils learn Bosnian according to the curriculum used in Zenica-Doboj Canton. The rest of the teaching is organised for all of them together."

A Bosniak construction worker, living near the school, told us: "My daughters go to the school here in Makljenovac. To be honest I do not know if they learn Serbian or Bosnian. I never asked them. When I was young I learned Serbo-Croatian, so ... They go to hospital in Doboj." He could not remember the last time there were ethnic tensions here: "Life here is ok. We all have the same two problems: money and jobs." Talking to villagers in Doboj we wondered: did the authors of "Bosnians are an upset, divided nation", like the oenologists in Brochet's wine tasting experiment, describe not the reality they found, but the one they expected to find? 1

Ethnicity is no more dominant in daily life 20 kilometers further east, in Tuzla Canton. Ismet and Munira, born in Gracanica six decades ago, are still living here as a couple today. Asked how often in their life they have been asked about their ethnicity, they cite three times. One time was during the 1991 census, when they declared that their ethnic identity was "Muslim". A second time was when they were refugees in 1992 in Croatia, and a teacher strongly suggested to Munira to register her child as Croat in order to obtain Croatian citizenship and be able to attend school. She refused. And a third time during the census in October 2013, when they were asked about their ethnicity and religion. They chose not to answer the two questions, while their adult son described himself as Bosniak.

The couple then examined some 20 official documents in their drawer, starting with their original birth certificates. These state that they are Serbs (a decision by their communist parents). A student card from the early 1980s issued by Zagreb University refers to Ismet as a Muslim. None of the documents issued by the Bosnian authorities since 1995 makes any reference to ethnicity. Their son's experience is similar: none of his documents states his ethnicity, and he was not asked about it even when he joined the public administration in Sarajevo in 2012.

#### 2. Bosnian politics is all about ethnicity

Bosnia is famous for its ethnic key at all levels of government. How does this work in practice?

The state-level law on civil servants prescribes that "the structure of civil servants within the civil service shall generally reflect the ethnic structure of the population of Bosnia and Herzegovina in accordance with the last census."<sup>23</sup> However, public employees are *not* required to declare their ethnicity when they apply for a job or when they are hired:

"Ethnic declaration of civil servants shall be based upon *voluntary declaration* in accordance with this law."<sup>24</sup>

In 2017 the head of the finance department of the City of Mostar told ESI that there were 38 people in his department.<sup>25</sup> He noted that "attention was paid" to employing Bosniaks, Croats, Serbs and Others. He assumed that "there must be a list somewhere with data on ethnic

ESI interview in Makljenovac, December 2015.

<sup>21</sup> Radio Free Europe, "20 Years After Dayton Peace Deal, Bosnians Are An Upset, Divided Nation", 20 November 2015.

ESI interviews in Gracanica, September 2017.

<sup>23 &</sup>quot;Zakon o drzavnoj sluzbi u institucijama Bosne i Herzegovine", article 2, § 2.

<sup>&</sup>lt;sup>24</sup> Ibid., article 2, §§ 2 and 3.

ESI's interview with Izet Sahovic, head of the finance department in Mostar, October 2017.

belonging." He did not know where this list was. He said he had never seen it himself. In Mostar, as in the rest of Bosnia, the implementation of ethnic quotas is largely a matter of unwritten rules.

The situation in the ten cantonal governments is similar. The Federation constitution states that "the constituent peoples and others shall be proportionally represented." Here the reference is to the 1991 census. What is striking: three years after the 2014 elections only one cantonal government, in Posavina Canton, provides any public information about the ethnicity of its members (eight Croats, two Bosniaks). Predrag Kojovic, a member of the Sarajevo cantonal assembly, told ESI in May 2015 that "neither this government nor any of the previous governments of Sarajevo Canton fulfils the ethnic provisions prescribed by law." Nowhere has this been a big issue in recent years.

There are, on the other hand, strict ethnic keys at the level of the two entity governments. The Federation government has 16 ministers: 8 have to be Bosniak (one of whom can also be Other), 5 Croat and 3 Serb. But who is what? In March 2015 Milan Dunovic, the (Serb) Federation vice-president opposed the formation of the new Federation government, arguing that there were too many Serb ministers proposed: four, although there should have been only three.<sup>29</sup> It turned out that the confusion was due to the proposed minister of labour Milan Mandilovic, who responded that he was not even aware which ethnicity he represented. Having worked as a doctor in Sarajevo during the siege, he told the media: "I do not know why my party declared me as a Serb."<sup>30</sup> He changed his declaration to Other. This solved the problem and he became a minister.<sup>31</sup>

The RS government also has 16 ministers: 8 ministers have to be Serb, 5 Bosniak and 3 Croat. The prime minister can nominate an "Other", in which case there are only seven Serbs in the RS government.<sup>32</sup> Today the government of Republika Srpska, the "Serb entity", includes the following non-Serb ministers:

Zlatan Klokic (Bosniak), Minister of Economic Relations and Regional Cooperation Lejla Resic (Bosniak), Minister of Administration and Local Self-Government Srebrenka Golic (Bosniak), Minister of Spatial Planning, Civil Engineering and Ecology Jasmin Komic (Bosniak), Minister of Science and Technology Jasmina Davidovic (Bosniak), Minister of Family, Youth and Sports Anton Kasipovic (Croat), Minister of Justice Predrag Gluhakovic (Croat), Minister of Trade and Tourism Davor Cordas (Croat), Minister for Refugees and Displaced Persons<sup>33</sup>

29 Klix, "Da li je bespotrebno povucena odluka o imenovanju Vlade Federacije BiH?", 22 March 2015. There were three Serb candidates for minister from the DF and one from the HDZ BiH.

Ustav Federacije Bosne i Herzegovine, Article V.3.8.

Government of Posavina Canton, "Clanovi Vlade".

ESI interview, May 2015.

Dnevni avaz, "Mandilovic: Izjasnio sam se kao ostali, pa neka sve ide dodjavola!", 29 March 2015.

Interestingly both Dunovic and Mandilovic were members of the same party, the Democratic Front.

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Ustav Federacije BiH (Constitution of the Federation BH), article IV.B.2.4 through amendment XLIV, imposed by the High Representative in April 2002; Ustav Republike Srpske (Constitution of Republika Srpska), article 92 through amendment LXXXIV. Both constitutions foresee that once Annex 7 of the Dayton Peace Agreement (on the return of refugees and displaced persons) is declared implemented, the provision will be changed as follows: "At least 15 percent of the members of the government have to be from one constituent people. At least 35 percent have to be from two constituent people. One member has to be from 'Others."

Government of Republika Srpska in October 2017, "Members of the Government".

At the state level, all three constituent peoples have to be represented equally on the presidency and in the government (where at least one member, or the general secretary, has to be an "Other"). <sup>34</sup> However, everything depends on self-identification. Before general elections, candidates hand a form to the Central Election Commission where they state their ethnicity: Bosniak, Serb, Croat or "Other." Candidates for the presidency have to declare that they are Bosniak or Croat (if they run in the Federation) or Serb (in the RS). This self-identification cannot be challenged, and no outsider or public document determines to which ethnic group an individual belongs. It does not matter which religion candidates belong to (if they do) or what their birth certificate says.

Dragan Covic currently serves as the Croat member of the Bosnian presidency. In his student days he had declared himself as a Yugoslav.<sup>35</sup> In 1990 Zlatko Lagumdzija unsuccessfully competed to become a member of the presidency as an Other. In 2001 and 2012 he was a member of the Bosnian government as a Bosniak. In February 2007 Sven Alkalaj, a Bosnian Jew, was appointed Bosnian foreign minister as an Other.<sup>36</sup> The media reported, however, that he had received Croatian citizenship in 2006 after declaring that his ethnicity was Croat.<sup>37</sup> Alkalaj responded that he was at the same time Jewish (Other) and Croat, and that, like many Bosnians, he possessed two citizenships:

"My basic citizenship is Bosnian-Herzegovinian, but I also have Croatian citizenship which I received in 2005 ... My mother is a Croat from an Austrian family that came to Bosnia in 1906 ... My mother's wish was for me to have a Croatian passport." 38

The choice can differ from what candidates declared in previous elections. The only limitation is that those who want to compete for a few specific positions, such as the presidency, must not have declared a different ethnicity *during the preceding four years*.<sup>39</sup> This is checked by the Central Electoral Commission.

Both entity constitutions prescribe that the six most important positions in the executive, legislature and judiciary cannot be occupied by more than *two* representatives of any one constituent people or the Others. Three of these positions are chosen politically; another three by the independent High Judicial and Prosecutorial Council of Bosnia and Herzegovina. Today in Republika Srpska these are the officials who fill the six positions:

President of the Government: Zeljka Cvijanovic (Serb) Speaker of the National Assembly: Nedeljko Cubrilovic (Serb) Chairman of the Council of Peoples: Nada Tesanovic (Croat) President of the Supreme Court: Vesna Antonic (Other)

President of the Constitutional Court: Dzerard Selman (Bosniak)

Public prosecutor: Mahmut Svraka (Bosniak)

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Constitution of Bosnian and Herzegovina, article V-4b; "Zakon o vijecu ministara Bosne i Herzegovine", 2003, article 6. In addition to formal requirements there are informal rules. The chairmanship of the Council of Ministers (as Bosnia's prime minister is officially called), for example) is given to another etnic group after each term, although there is no legal requirement for this. 24 sata, "Uprkos Covicevim zeljama: SDP ce za premijera kandidrati Antu Domazeta", 14 October 2010.

<sup>&</sup>lt;sup>35</sup> Slobodna Dalmacija, "Kako je Covic od partijasa postao ikona hrvatstva", 20 October 2014.

The Council of Ministers of BiH, "Sazivi Vijeca ministara BiH"; Klix, "Alkalaj: BiH u NATO-u do 2009. godine", 21 January 2007.

<sup>37</sup> Klix, "Hrvatski MUP: Sven Alkalaj primljen je 2006. u hrvatsko drzavljanstvo", 24 August 2008.

Nezavisne novine, "Sven Alkalaj: Silajdzic i Komsic zahtijevali da trazim veci budzet za MIP", 9 December 2008; Start, "Sven Alkalaj: Nije Tito dzaba tri mjeseca putovao po Africi", 29 July 2009.

<sup>&</sup>quot;Izborni zakon Bosne i Hercegovine", Article 4.19 (5-7).

#### In the Federation it is the following six people:

Prime minister: Fadil Novalic (Bosniak)

Chairman of the House of Representatives: Edin Music (Bosniak)

Chairman of the House of Peoples: Lidija Bradara (Croat) President of the Supreme Court: Milorad Novkovic (Serb) President of the Constitutional Court: Vesna Budimir (Croat)

Federal prosecutor: Zdravko Knezevic (Serb)

Bosnians are, of course, long familiar with ethnic keys in their institutions. In fact, the concept of a collective presidency already existed in Yugoslav times. Yugoslav Bosnia's presidency had nine members. In 1990 this was reduced to seven members elected from four lists: two each from a Muslim, Serb and Croat list, and one from a list of Others.<sup>40</sup>

It is illuminating to contrast the flexible handling of ethnicity and quotas through self-identification in multi-ethnic Bosnia with the way similar ethnic keys are applied in multi-ethnic EU member states. In Cyprus, the constitution defines only two communities of citizens: "The *Greek Community* comprises all citizens of the Republic who are of Greek origin and whose mother tongue is Greek or who share the Greek cultural traditions or who are members of the Greek-Orthodox Church; the *Turkish Community* comprises all citizens of the Republic who are of Turkish origin and whose mother tongue is Turkish or who share the Turkish cultural traditions or who are Moslems." Citizens of Cyprus who are neither Greek nor Turkish – including members of the three recognised religious minorities, Armenians, Latins and Maronites, have to make a choice "to belong to either the Greek or the Turkish Community as individuals, but, if they belong to a religious group, shall so opt as a religious group."

In South Tyrol, a wealthy autonomous region of Italy, the "Proporz Decree" from 1976 stipulates that positions in the public administration, including the judiciary, are allocated proportionally to Germans, Italians and Ladins according to the latest census figures. <sup>43</sup> At each census citizens have to state their affiliation to one of the three language groups. Those who do not belong to either still have to choose one of these three. A copy of this is kept at court and consulted when an individual applies for an administrative post. <sup>44</sup>

Finally, there is Brussels-Capital, one of three regions in Belgium besides Flanders and Wallonia. When a candidate runs for the Brussels regional parliament, he or she must first register as belonging to one of two language groups (French, Dutch). This decision is for life. Any candidate competing for seats assigned to one language group can never run for a seat reserved for the other language group. A Dutch-speaker can never become the prime minister

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Presidency of Bosnia and Herzegovina, <u>History of the Presidency</u>.

<sup>&</sup>quot;The Constitution of Cyprus", Article 2, 1960.

<sup>42</sup> Ibid

Rolf Steininger, South Tyrol. A Minority Conflict of the Twentieth Century, Transaction Publishers, 2009 (2003), pp. 137f.

See: Decreto del Presidente della Republica n. 752, "Norme di attuazione dello statuto speciale della Regione Trentino-Alto Adige in materia di proporzionale negli uffici statali siti nella provincia di Bolzano e di conoscenza delle due lingue nel pubblico impiego", 26 July 1976.

of the Brussels region.<sup>45</sup> The authors of *How can one* not *be interested in Belgian History* also note that in Brussels regional elections it is "illegal for bilingual parties to participate."<sup>46</sup>

Perhaps, when it comes to handling ethnic diversity in a flexible manner, Bosnia has something to teach the capital of Europe?

#### 3. Bosnian politics is dominated by three ethnic parties

One of the main clichés about Bosnia concerns the dominance of "three ethnic parties" representing three cohesive ethnic communities. In February 2014 the European Parliament referred to "nationalist and ethnocentric rhetoric coming from *the leadership of the three constitutive peoples in BiH*" and to "the continuing lack of common vision displayed by the political *leaders of the country's three ethnic communities.*" In fact, a striking feature of Bosnian politics and its proportional election system is the very high number of parties in parliaments across the country. In Bosnia power is decentralised far more than in any of its neighbours, and this reflects an unusually diverse political party landscape.

Bosnia has the smallest state legislature in Europe, with 42 seats in its House of Representatives. This small lower house contains 12 different parties, which makes it one of the most pluralist parliaments in Europe.

Political Parties represented in some directly elected lower houses 2017<sup>48</sup>

| Country                            | Number of parties |
|------------------------------------|-------------------|
| Dutch House of Representatives     | 13                |
| Bosnian House of Representatives   | 12                |
| Belgian Chamber of Representatives | 12                |
| German Bundestag                   | 7                 |

We find the same pluralism at other levels. In the ten cantonal assemblies there is a total of 289 seats. Since 2014, 24 different parties have been represented in these cantonal assemblies, up from 18 parties after the 2010 elections. Following the 2014 October elections there are two dominant parties in the Federation: the SDA and the HDZ. However, these two together captured only 42 percent of the cantonal seats. In 2010 they had 36 percent of these seats. Nowhere, except in tiny West Herzegovina Canton, does either of these two parties have an absolute majority. In the other nine Cantons a coalition government is required.

Benno Barnard and others, *How can one* not *be interested in Belgian History – War, Language and Consensus in Belgium since 1830*, Academia Press, 2006, p. 94. See also Kris Deschouwer, *The Politics of Belgium. Governing a Divided Society*, Palgrave Macmillan, 2009, p. 62.

Benno Barnard and others, *How can one* not *be interested in Belgian History – War, Language and Consensus in Belgium since 1830*, Academia Press, 2006,

European Parliament, <u>"Resolution on the 2013 Progress Report on Bosnia and Herzegovina"</u>, 6 February 2014.

Not counting independents without a party. Bosnian House of Representatives, <u>"Poslanici saziv 2014-2018"</u>, November 2017; Dutch House of Representatives, <u>"Parliamentary parties"</u>, November 2017; Belgian Chamber of Representatives, <u>"Les Deputes"</u>, November 2017; German Bundestag, <u>"Fraktionen"</u>, November 2017.

Parties and seats won in the 10 cantonal assemblies, 2010 and 2014<sup>49</sup>

| Party        | 2010 | 2014 | Difference |
|--------------|------|------|------------|
| DF           | _    | 27   | +27        |
| SDA          | 55   | 70   | +15        |
| SBB          | 29   | 36   | +7         |
| A-SDA        | 4    | 9    | +5         |
| HDZ BiH      | 48   | 51   | +3         |
| HDZ 1990     | 18   | 20   | +2         |
| Laburisti    | _    | 2    | +2         |
| HNL          | _    | 2    | +2         |
| Gorazde      | _    | 2    | +2         |
| BPS          | 7    | 8    | +1         |
| Nasa stranka | 2    | 3    | +1         |
| BOSS         | 1    | 2    | +1         |
| HSP A.S.     | _    | 1    | +1         |
| Novi pokret  | _    | 1    | +1         |
| Dijaspora    | _    | 1    | +1         |
| LS           | _    | 1    | +1         |
| HKDU         | _    | 1    | +1         |
| SNSD         | 3    | 3    | 0          |
| Posavina     | 1    | 1    | 0          |
| SDU          | 1    | _    | -1         |
| DNS          | 1    | _    | -1         |
| HSP BiH      | 8    | 6    | -2         |
| HSS          | 3    | _    | -3         |
| DNZ          | 4    | 1    | -3         |
| NSRzB        | 20   | 5    | -15        |
| SzBiH        | 23   | 7    | -16        |
| SDP          | 61   | 29   | -32        |
| Total        | 289  | 289  |            |

Bosnian coalition politics is of mindboggling complexity to the uninitiated observer. After the 2014 elections, the SDA first signed a coalition agreement with the rival DF and the HDZ BiH. In seven cantons these three parties still needed other coalition partners to obtain a majority. On the state level they went into a coalition with the *Alliance for Changes* from the RS (which includes SDS, PDP, NDP). In early June 2015 the coalition agreement in the Federation fell apart. The SDA then held talks with the SBiH, the BPS and the A-SDA on a new governing coalition which would also include the HDZ. In the end the SDA concluded an agreement with the SBB. Given this collection of acronyms and autonomous actors it is tempting to write instead about "three ethnic groups and their parties" or to focus on the state presidency, which does indeed have three members, but little real power. It is also profoundly misleading.

The real iron rule for parties in Bosnia is that in order to govern, they need to be able to form different coalitions at different levels at the same time. This fact limits (though it does not

Election Commission of BiH, 2010 Election Results for Cantons and 2014 Election Results for Cantons.

The coalition of these three parties had a majority in the cantonal assemblies of Zenica-Doboj, West Herzegovina and Herzegovina-Neretva Canton. They also had a majority in Central Bosnia, but since appointing a government there requires a 2/3 majority, they also needed another partner there.

<sup>51</sup> BHRT, "Cavara smijenio Bajrovica", 15 June 2015.

SDA, "SDA, SzBiH, BPS i A-SDA potpisali sporazum o politickoj saradnji, zajednickom djelovanju i jedinstvenom nastupu", 31 July 2015.

<sup>&</sup>lt;sup>53</sup> Al Jazzera Balkans, "U Sarajevu potpisan sporazum SDA i SBB-a", 19 October 2015.

prevent) inter-ethnic polarisation: it is harder to demonise those with whom one is in coalition at least at some level, or has been in coalition before, or expects to be in the future. This looks like one plausible explanation for the stability of the Bosnian political system in the past two decades.

#### 4. Bosnia has too many politicians

One common cliché is that Bosnia has too many politicians. As UNDP explains:

"The Dayton Peace Accords ended the war but created a complicated and expensive governance structure ... Thirteen prime ministers, fourteen legislatures, nearly 150 ministers, five presidents, and three constitutional courts govern this small nation." <sup>54</sup>

This is repeated by official after official. As High Representative Valentin Inzko put it: "There are 150 ministers and 14 prime ministers. People think this is simply too much." But is it?

The Bosnian state parliament has a lower and an upper chamber with 42 and 15 seats, respectively. The Federation parliament has two chambers with 98 and 58 seats. The RS has two chambers with 83 and 28 seats. The ten unicameral cantonal assemblies have 289 seats. This means that Bosnia has 613 "parliamentarians". This sounds like a lot for a country of fewer than 4 million people. The US state of Texas (27 million people) has only 150 councilors and 31 senators. <sup>56</sup> But the US state of New Hampshire (1.3 million people) has 400 councillors and 24 senators, per head twice as many as Bosnia. <sup>57</sup>

Switzerland is the European federation that most resembles Bosnia's cantonal system. The Swiss half-canton Appenzell Innerrhoden (population 16,000) has a 50-member cantonal assembly. This is a larger assembly than Tuzla's (population 445,000) with 35 members. Altogether the cantonal assemblies of the 26 cantons and half-cantons of Switzerland boast 2,609 councilors. Add to this the two chambers of the Swiss federal parliament (200 and 46 members) and you arrive at 2,855 parliamentarians.

Table: Parliamentarians in Bosnia and Switzerland

| Level  | Bosnia | Switzerland |
|--------|--------|-------------|
| State  | 57     | 246         |
| Entity | 267    | _           |
| Canton | 289    | 2,609       |
| Total  | 613    | 2,855       |

How about executive positions? Bosnia has a prime minister and 9 ministers at the state level; a prime minister and 16 ministers each at the two entity levels; 10 prime ministers and 95

UNDP, "About Bosnia and Herzegovina", UNDP website.

Austrian Broadcasting Association (ORF), "Bosnien: Gewalt bei Protesten gegen Armut" (Morgenjournal), 8 February 2014. Inzko probably included the head of Brcko District in his list. Formally called "mayor", his/her responsibilities indeed resemble more those of a cantonal PM than a mayor.

<sup>&</sup>quot;Texas Legislature Online".

State of New Hampshire, "History of the Executive Council".

See Bundesamt für Statistik, "Kantonale Parlamentswahlen".

ministers in the ten cantons.<sup>59</sup> In total this is 149 "ministerial" positions. In Switzerland the federal government (*Bundesrat*) has 7 members. Every canton has a government with 5 or 7 members (*Regierungsräte*). This adds up to 161 "ministerial" positions in Switzerland.<sup>60</sup> In short, Bosnia has twice as many "ministers" per capita as Switzerland and Switzerland has twice as many parliamentarians per capita as Bosnia.

Table: "Ministers" in Bosnia and Switzerland

| Level  | Bosnia | Switzerland |
|--------|--------|-------------|
| State  | 10     | 7           |
| Entity | 34     | _           |
| Canton | 105    | 154         |
| Total  | 149    | 161         |

This leaves a lot of open questions. Can one determine whether 12 ministers and a prime minister in Tuzla Canton are too many without understanding what they are supposed to do? What does it mean to be the "minister" for economy in Gorazde canton (population 24,000)? What is striking how little analysis there is about what these Bosnian executives do.<sup>61</sup>

How about the cost to tax payers of all these parliamentarians and executive positions? Here too, one needs to take a closer look. The remuneration of parliamentarians across Bosnia differs significantly. Members of cantonal assemblies who have regular jobs are considered "non-professional" members and receive no salary, only a monthly compensation (*naknada*).

In 2015 a non-professional member of the Central Bosnia cantonal assembly received a monthly compensation of  $\in$  256, plus a fee of  $\in$  25 for each attended assembly session and committee meeting (adding up to at least  $\in$  4,000 per year). By contrast, a non-professional member of the Una-Sana assembly received  $\in$  925 per month, plus a fee of  $\in$  77 for each attended assembly session and committee meeting (adding up to at least  $\in$  13,000 per year). Those without a regular job can become "professional" members. A professional member cannot hold a regular job, but is allowed to perform additional work on a contract basis. In 2015 the monthly basic salary for a "professional" member in Sarajevo Canton was  $\in$  1,207. In Una Sana Canton it was  $\in$  1,350, in Central Bosnia  $\in$  880 and in Tuzla Canton  $\in$  663.

These fees and salaries are decided by cantonal assemblies; they have nothing to do with the state constitution or the Dayton agreement. How do they compare to other countries? In Switzerland regulations also vary from canton to canton. The engagement of all councillors, including members of the Swiss parliament, is considered part-time. The 140 councillors in Canton Aargau receive  $\in$  140 (CHF 150) for 3 hours of assembly or committee session, plus travel reimbursement,  $\in$  28 for lunch and – in case a session last more than a day –  $\in$  112 for

Source: respective websites of cantonal governments.

Bundesamt fur Statistik, "Kantonale Regierungswahlen".

See for example: Centre for Civic Initiatives (CCI), <u>Izvjestaji o monitoringu</u>, CCI webpage.

Audit Office for the Institutions of the Federation BH, "Izvjestaj o reviziji finansijskih izvjestaja Srednjobosanskog kantona za 2015. godinu", August 2016; "Izvjestaj o reviziji finansijskih izvjestaja Unsko-sanskog kantona za 2015. godinu", June 2016; "Izvjestaj o reviziji finansijskih izvjestaja budzeta Kantona Sarajevo za 2015. godinu", August 2016; "Izvjestaj o reviziji finansijskih izvjestaja Tuzlanskog kantona za 2015. godinu", September 2016. The audit reports leave it unclear if these figures are net or gros (except for the Sarajevo report which explicitly provides net figures).

food and accommodation. <sup>63</sup> Canton Bern is more generous with an average annual net compensation for a councillor of  $\in$  22,110, based on the assumption that the work requires 25-30 percent of a full-time job. <sup>64</sup> Meanwhile councillors and senators in the state of New Hampshire receive an annual salary of  $\in$  80 (100 dollars). <sup>65</sup> Nearly half of them are retired and the average age is over 60. <sup>66</sup>

Can one compare the work of an honorary councillor in New Hampshire (earning  $\in$  80 a year), a part-time assembly member in Bern (earning  $\in$  22,000) and a non-professional member of the cantonal assembly of Una-Sana Canton (earning  $\in$  13,000)? Is the Bosnian deputy overpaid? Clearly, a more complex analysis is needed. Why do compensations differ from canton to canton? Do cantonal assemblies need full-time members? Why are 94 percent (28 out of 30) of cantonal assembly members in Herzegovina-Neretva canton full-time and only 37 percent (13 out of 35) in Sarajevo canton? Why is part-time work of a member in Una-Sana Canton worth two and a half times the Bosnian average wage, while members in Bern receive only a fraction of an average Swiss wage?

To simply assert that in Bosnia there are "too many politicians who cost too much money" is meaningless. If the main problem is that there are "149 (prime-) ministers", the solution would be obvious enough: cantons could simply change the way in which they refer to their "ministers." They might also reduce their number, canton by canton. Or they might cut salaries. But all of this depends on answers to the most important questions: how hard do these politicians work? And what do they achieve?

#### 5. In Bosnia elections change nothing

It is an enduring cliché about Bosnian politics that there may have been many elections (seven general elections since the end of the war: in 1996, 1998, 2000, 2002, 2006, 2010 and 2014), but that these elections have changed nothing. As a result "wartime leaders" have remained in control.

Before the October 2014 Bosnian parliamentary elections, the Croatian daily *Novi List* wrote that "since the Dayton Accords in 1995, the country has been locked in an electoral system of stunning complexity which gives citizens little hope for change." An expert at the Sarajevo-based Post-Conflict Research Center observed that "the majority had – wittingly or unwittingly – voted for more of the same." Paddy Ashdown noted after the 2014 elections: "I see that nothing has changed much. We continue to see that *the faces from wartime* are ruling the situation." What is the evidence for this? There is no evidence. These claims are wrong.

The Eagle Tribune, "N.H. Legislature doesn't mirror population" 23 December 2007.

Kanton Aargau, "<u>Dekret über die Geschäftsführung des Grossen Rates</u>", 1991, last amended 2014, §§87-91. In addition, the president and vice president of the assembly receive lump compensations of € 18,737 and € 4,684 respectively. Committee chairs receive the double amount of the session compensation. Calculated at average annual exchange rate for 2015 of 0.93685 EUR for 1 CHF (x-rates.com).

SRF, "Berner Kantonsparlament gewährt sich 'moderate' Lohnerhöhung", 4 June 2013. Calculated at average annual exchange rate for 2015 of 0.93685 EUR for 1 CHF (x-rates.com).

State of New Hampshire, "History of the Executive Council".

<sup>67</sup> Courrier International, "Bosnie-Herzegovine: des slogans et peu d'actes", 12 October 2014.

Tim Bidey, "Time for real democracy for Bosnia?", Insight on Conflict/Peace Direct, 29 October 2014.

<sup>69</sup> Dnevni Avaz, "Ekskluziv: Politika medjunarodne zajednice je propala!", 24 October 2014.

Compared to every other country in South East Europe, Bosnia has had many alternations in power, in all positions and at all levels, with different coalitions taking control. Take a look at the succession of prime ministers in the two entities or in a typical canton since 1996.

Republika Srpska post-war Prime Ministers

| Name                     | Party          | Period                        |
|--------------------------|----------------|-------------------------------|
| Gojko Klickovic          | SDS            | May 1996 – January 1998       |
| Milorad Dodik            | SNSD           | January 1998 – January 2001   |
| Mladen Ivanic            | PDP            | January 2001 – January 2003   |
| Dragan Mikerevic         | PDP            | January 2003 – February 2005  |
| Pero Bukejlovic          | SDS            | February 2005 – February 2006 |
| Milorad Dodik            | SNSD           | February 2006 – November 2010 |
| Anton Kasipovic (acting) | Non-affiliated | November 2010 – December 2010 |
| Aleksandar Dzombic       | SNSD           | December 2010 – March 2013    |
| Zeljka Cvijanovic        | SNSD           | Since March 2013              |

Federation post-war Prime Ministers

| Name                  | Party   | Period                       |
|-----------------------|---------|------------------------------|
| Izudin Kapetanovic    | SDA     | January 1996 – December 1996 |
| Edhem Bicakcic        | SDA     | December 1996 – January 2001 |
| Dragan Covic (acting) | HDZ BiH | January 2001 – March 2001    |
| Alija Behmen          | SDP BiH | March 2001 – February 2003   |
| Ahmet Hadzipasic      | SDA     | February 2003 – March 2007   |
| Nedzad Brankovic      | SDA     | March 2007 – June 2009       |
| Mustafa Mujezinovic   | SDA     | June 2009 – March 2011       |
| Nermin Niksic         | SDP BiH | March 2011 – March 2015      |
| Fadil Novalic         | SDA     | Since March 2015             |

Prime Ministers of Zenica-Doboj Canton

| Name                | Party   | Period                         |
|---------------------|---------|--------------------------------|
| Vehid Sahinovic     | SDA     | December 1996 – February 2001  |
| Hamdija Kulovic     | SBiH    | February 2001 – September 2001 |
| Vahid Heco          | SBiH    | September 2001 – January 2003  |
| Nedzad Polic        | SBiH    | January 2003 – January 2006    |
| Miralem Galijasevic | SDA     | January 2006 – February 2011   |
| Fikret Plevljak     | SDP BiH | February 2011 – June 2013      |
| Munib Husejnagic    | SDP BiH | June 2013 – March 2015         |
| Miralem Galijasevic | SDA     | Since March 2015               |

Changes in governing coalitions reflect changes in the way Bosnians cast their votes. The most recent October 2014 elections illustrate this well:

 In 2010 the SDP was the big winner. In 2014 it lost more than half of its seats in the Bosnian House of Representatives, almost two-thirds of its seats in the Federation House of Representatives, and it went from 61 to 29 seats in cantonal assemblies.

- In 2014 the Party for Bosnia and Herzegovina (SBiH) lost its two seats in the state-level
   House of Representatives and went from 23 to 7 seats in the cantonal assemblies.
- In 2014 the People's Party for Work and Betterment (NSRB) lost all its seats in the Bosnian House of Representatives and went from 20 to 5 seats in the cantonal assemblies.
- The Democratic Front, formed in April 2013, came fourth at the state level in 2014 and won 27 seats in the cantonal assemblies.
- In Republika Srpska the leading SNSD lost ground for the second time in a row. Of 83 seats in the RS assembly, the SNSD won 41 seats in 2006, 37 in 2010 and 29 in 2014.
- The SNSD's candidate lost the race for the Serb seat on Bosnia's presidency against Mladen Ivanic, a joint candidate of the RS opposition.

It is equally misleading to repeat that Bosnian politics is dominated by war-time elites. Among the 22 parties which made it into the state or entity parliaments in 2014, none had a leader who was already in charge before 1995; and only four had leaders already in charge before 2000. Eight party presidents became leaders between 2000 and 2010. Ten have been in charge for fewer than four years. Note also that among the 22 parties which made it into the state or entity parliaments in 2014, 15 had been founded after the war.

In the three years since the 2014 elections, 8 of the 22 parties represented in state or entity parliaments have seen a change of leadership. Following losses in 2014, Zlatko Lagumdzija, SDP's leader since 1997, decided not to run again for the party leadership. Mladen Ivanic, the leader of the PDP since 1999, decided that the time had come "for someone younger to take over." In May 2015 Nasa stranka elected a new chairman. In December 2015 Martin Raguz resigned as president of HDZ 1990. Sollowing local election in October 2016, Mladen Bosic resigned as president of SDS. Leven aficionados of Bosnian politics struggle to keep up.

Vecernji list, "Lagumdzija potvrdio odlazak s cela SDP-a nakon 17 godina", 16 October 2014.

<sup>71</sup> TV 1, "Mladen Ivanic ide sa cela PDP-a", 25 October 2015.

N1, "Predrag Kojovic izabran za novog predsjednika Nase stranke", 16 May 2015.

<sup>73</sup> Bljesak, "Martin Raguz podnio ostavku", 23 December 2015.

N1, "Mladen Bosic podnio ostavku", 8 October 2016. There were more changes: In March 2017 Adam Sukalo from the SNS moved to the PDP. PUP RS elected new president in October 2015. Since December 2015 Zvonko Jurisic is also no longer president of HSP BiH. In the state parliament three members belonging to the SDA formed a new party, Nezavisni blok, in September 2017. In July 2015 three members of the RS National Assembly left SDS and one member left DNS and they formed a new political group SDSK. Klix, "Adam Sukalo presao u Klub PDP-a u NSRS", 28 March 2017; Nezavisne novine, "PUP RS na izbore ide samostalno", 18 March 2016; HSP BiH, "Sabor HSP BiH: Stanko Primorac predsjednik", 22 May 2016; Parliamentary Assembly of BiH, "Klubovi poslanika"; National Assembly of RS, "Slobodni demokratski srpski klub".

Leaders of parties represented in state or entity parliaments (2014)

| Party        | Leader                          | Elected |
|--------------|---------------------------------|---------|
| SDA          | Bakir Izetbegovic <sup>75</sup> | 2015    |
| SNS          | Adam Sukalo                     | 2013    |
| LS BiH       | Elvira Abdic-Jelenovic          | 2013    |
| A-SDA        | Nermin Ogresevic                | 2013    |
| HDZ 1990     | Martin Raguz <sup>76</sup>      | 2013    |
| NDP          | Dragan Cavic <sup>77</sup>      | 2013    |
| DF           | Zeljko Komsic <sup>78</sup>     | 2013    |
| SRS          | Dragan Djurdjevic               | 2013    |
| Nasa stranka | Dennis Gratz                    | 2011    |
| SzBiH        | Amer Jerlagic                   | 2011    |
| SBB          | Fahrudin Radoncic               | 2009    |
| SDS          | Mladen Bosic                    | 2006    |
| PUP RS       | Ilija Stevancevic               | 2005    |
| HDZ BiH      | Dragan Covic                    | 2005    |
| HSP BiH      | Zvonko Jurisic                  | 2004    |
| DNS          | Marko Pavic                     | 2003    |
| SRS RS       | Milanko Mihajlica               | 2002    |
| SP RS        | Petar Djokic                    | 2002    |
| PDP          | Mladen Ivanic                   | 1999    |
| SDP BiH      | Zlatko Lagumdzija               | 1997    |
| SNSD         | Milorad Dodik                   | 1996    |
| BPS BiH      | Sefer Halilovic                 | 1996    |

How about participation in elections? The German magazine *Der Spiegel* told its readers after the 2014 elections that a low voter turnout was "a sign of widespread resignation in view of corruption allegations against the political leadership in the country and the bad economic situation." There has indeed been a fall in the percentage of registered voters who went to the polls in 2014 compared to 2002 – by 1 percent point. Looking at absolute voter turnout, a different story emerges. In 2002 1.3 million people voted in the Bosnian general elections. In 2006 the number increased to 1.5 million. In 2010 it stood at 1.8 million. In 2014 the number of voters increased by 18,000. So, between 2002 and 2014 voter turnout rose by half a million people. At the same time the number of *registered* voters also increased dramatically, from 2.3 million to 3.3 million, and thus the percentage of people voting remained fairly steady.

There is a simple explanation for the increase in the number of registered voters: Bosnia moved from an active to a passive voter registration system. Before 2002 every citizen who wanted to vote had to make the effort to actively register to vote. Since then, every Bosnian citizen who receives an identity card is automatically included in the electoral register.

Sulejman Tihic was president of the SDA from 2001 until his death in September 2014. Bakir Izetbegovic, as deputy chairman of the party, took over the party leadership. He was formally elected party chairman on 26 May 2015.

Martin Raguz was vice-president of HDZ BiH from 2000 to 2006 and vice-president of HDZ 1990 from 2006 to 2013.

Dragan Cavic was president of SDS from 2002 to 2006.

<sup>&</sup>lt;sup>78</sup> Zeljko Komsic was vice-president of SDP BiH from 2002 to 2012.

Spiegel Online, "Abstimmung: Nationalisten gewinnen Wahlen in Bosnien-Herzegowina", 13 October 2014.

Voters in Bosnian general elections 2002-201480

| <b>Registered</b> | Voter turnout |           |       |
|-------------------|---------------|-----------|-------|
| Year              | voters        | Absolute  | (%)   |
| 2002              | 2,342,141     | 1,298,827 | 55.5% |
| 2006              | 2,734,287     | 1,512,387 | 55.3% |
| 2010              | 3,132,231     | 1,770,388 | 56.5% |
| 2014              | 3,282,581     | 1,788,083 | 54.5% |

Is a participation rate of 55 percent a worrying sign of loss of faith in democracy? It depends on what one compares it with. The voter turnout in the US congressional elections in November 2014 was 36 percent and in House of Representative elections in November 2016 55 percent. In the two rounds of the 2015 Polish presidential election, it was 49 percent and 55 percent. In the 2017 UK elections it was 69 per cent. This was celebrated as the hightest turnout in 20 years (in 2001 it was 59 percent).

In 2014 SNSD president Milorad Dodik was re-elected RS president by the narrowest of margins: 303,000 against 296,000 votes. Mladen Ivanic noted:

"If only another 3,500 people had voted for Ognjen Tadic instead of Milorad Dodik, he would have won ... we learned from the elections that *every vote counts* and that the saying 'my vote will not change anything' is not true." 81

And yet, despite all evidence, outside observers keep insisting that elections change nothing. Following the October 2014 elections Kurt Bassuener, a Sarajevo-based American analyst, claimed that "citizens have given up on elections as vehicles for change." There are obviously good reasons for trying to persuade more Bosnians to vote. Insisting, against all evidence, that their vote does not count is not a promising strategy to achieve that.

#### 6. The master cliché: Bosnia is uniquely dysfunctional

In May 2009 US Vice President Joe Biden visited Sarajevo and addressed the Bosnian parliament. Few Western politicians knew more (and cared more) about stability in the Balkans than Biden. His speech, however, was a dressing down of his hosts:

"Today, we are worried about the direction your country, your future, and your children's future are taking. For three years, we have seen a sharp and dangerous rise in nationalist rhetoric designed to play on people's fears, to stir up anger and resentment ...

We have heard voices speaking the language of maximalism and absolutism that destroys states – not the language of compromise and cooperation that builds them. The results are predictable – deepening mistrust between communities, deadlock on reforms, and dangerous talk about the country's future that is reminiscent of the tragedies the people of this country have worked so hard to overcome. This must stop."83 [emphasis added]

Central Electoral Commission of Bosnia and Herzegovina (CIK), <u>Election Statistics</u>: 2002-2012; ESI phone interview with Jasminka Joldic, statistics office of CIK, 13 May 2015 (for 2014).

Sarajevo Times, "Mladen Ivanic on the Expectations in Politics in 2015", 3 January 2015.

Quoted in Tim Bidey, "Time for real democracy for Bosnia?", Insight on Conflict/Peace Direct, 29 October 2014.

The America Presidency Project, "Vice President Address to the Bosnian Parliament", 19 May 2009.

Such rhetoric has become so common that it is no longer even noticed. It is hard to imagine a US vice president speak like this to parliamentarians on an official visit anywhere else in Europe, whether in Moldova or Ukraine, Greece or Azerbaijan (or anywhere, really: imagine a similar speech by a US visitor – "This must stop!" – in parliaments in Egypt, Brazil, Mexico or Malaysia). This is, though, what Bosnians have come to expect from foreign dignitaries.

So how unique are Bosnia's problems? It is true that the Bosnian public holds political leaders in low esteem. Passing new laws is difficult. The federal structure of the country, its constitution and political polarisation often lead to gridlock. Politicians play to their base. However, all of this can also be said about older, bigger democracies.

While Bosnia was holding its last regular elections in autumn 2014, serious media also reported on autumn elections in the United States. They wrote that (quotes in italics): US politicians were "playing to their base, denouncing the other side, and blocking rivals from getting credit for anything." Candidates engaged in a "circus of name-calling and irresponsibility." The public viewed all politicians as "scoundrels". The US constitution had created a political system with "so many checks and balances that it is all but paralysed." Small groups wielded so many vetoes that the whole system was in "gridlock", "deeper trouble", "broken." The political elite did not have "much incentive for compromise." Even desperately needed reforms required "the approval of so many, often ideologically opposed actors" that it was "almost impossible to craft coherent policy." Trust in political institutions was at an all-time low. Analysts stressed that during the previous term the federal government had almost shut down, as the absence of an agreement on expenditures brought the US close to default on its debt. His was the coverage of US politics two years before a populist, misogynist and xenophobic candidate won the highest office of the land.

What is even more interesting, however, are the conclusions which The Economist drew in November 2014: that, given all the above, reforms in the US require compromise. Major reforms (such as health care or pension reform), it noted, "are possible only if they have both parties' fingerprints on them."<sup>85</sup> This is hard, anywhere. Joe Biden is right: it does require compromise. It also requires a permanent effort, in the US as well as in Bosnia.

Finding agreement in a complex federation remains a constant challenge even in one of the world's most prosperous democracies, Switzerland. To understand how Bosnia might succeed, and how it is currently falling short, it would be worthwhile to compare it to the Helvetic Confederation. A classic book about the Swiss political system (Jonathan Steinberg's *Why Switzerland?*) noted in 1996 that the Swiss "cellular political system allows ethnic and other particularisms to flourish side by side." Where other systems strive to generate a powerful majority which can govern, "the Swiss opt for complex formulae that produce coalitions". The system also requires constant consultation:

"The Federal Constitution requires the federal government to 'listen to' cantonal governments before it exercises powers conferred on it ... both federal and cantonal governments have formalised consultative procedures which lay down precisely which bodies, boards or agencies have the right to be, and which may be, consulted in the

All quotes in the preceding paragraphs from: *New York Times*, "America's Broken Politics", 5 November 2014; *The Economist*, "Welcome back to Washington" and "Powering Down", 8 November 2014. For an entertaining take on this topic watch "Last Week Tonight with John Oliver: State Legislatures and ALEC", 2 November 2014.

The Economist, "Welcome back to Washington", 8 November 2014.

Jonathan Steinberg, Why Switzerland? Cambridge Univ. Press, 1996 (1976), p. 88.

evolution of particular legislation. Any Swiss bill goes through a tortuous process of consultations ... the outcomes emerge slowly, if at all, from such processes."<sup>87</sup>

Similar to Bosnia the Swiss constitution declares that "the cantons are sovereign, in so far as their sovereignty is not limited by the federal constitution, and exercise all those rights, which have not been transferred to federal power." And yet, despite the need to consult widely and a political system based on committees and weak executives Switzerland has become, over time, one of the most successful and prosperous societies in the world. In the end it is the quality of decisions, and their legitimacy, that matters most. Steinberg notes that "Switzerland is still intact long after the totalitarian dictators with their centralized and unified states have strutted off the stage."

Bosnians are not inherently irrational when it comes to politics. They are no more obsessed about ethnicity than citizens in other multi-ethnic countries in Europe. Federalism, proportional representation and a flexible approach to ethnic identities and quotas have been effective devices to encourage coalition building and compromise. This helps explain the absence of serious conflict in more than two decades.

Bosnian leaders need to make the system they have work better. This requires setting aside the main clichés discussed here: that in Bosnia ethnic and religious hate has been growing for years; that politics is rotten; and that the constitution poses an insurmountable obstacle to any progress. In fact, Bosnian elections matter. New parties are often successful at entering assemblies. Cantonal and local politics matter, too, given how much is decided at this level. It should be possible to form reform coalitions at different levels of the state and to focus on what needs to be reformed there, from Doboj municipality to Sarajevo city, from Tuzla Canton to Brcko district.

Neither ethnic diversity nor Bosnian federalism are excuses for inaction when it comes to reforms. Bosnian society faces serious problems, but this does not make it unique. It is the common fate shared with its Balkan neighbours and indeed with all democracies, young and old.

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Jonathan Steinberg, Why Switzerland? Cambridge Univ. Press, 1996 (1976), p. 103.

#### Annex: Rich cantons, poor cantons and how to talk about reforms

One problem of popular clichés and of the distorted view of contemporary Bosnia they nourish is that they direct attention away from issues which are too complicated to fit into the narrative of ethnic tensions and legacies of war: a social protection system under huge pressure, low productivity in agriculture, high air pollution, a high rate of traffic fatalities or the quality of education. These are hardly ever analysed and discussed seriously. There is little empirical research on how social funds, cantonal and entity ministries or various sector policies actually work. There are no comparative assessments of the performance of cantonal or entity institutions. The fairness of indirect tax allocation in the Federation is hardly ever debated when reforms of governance are discussed.

Take health care policy, one of the most important issues in any modern state (and famously controversial in the US). In Bosnia this is largely a cantonal responsibility. There are 13 health funds in the country: one fund for the RS, one for each canton, one for Brcko district and one at the Federation level to administer a "solidarity fund" to cover expensive or long-term treatments and medicine (such as cancer therapy or dialysis).<sup>88</sup> In 2015 all these funds spent about € 1.1 billion. The funds are supervised by 13 governments. These governments appoint the management boards, composed of representatives of employers, health care employees and the insured.<sup>89</sup> The funds and the ministries, in turn, control health care institutions.<sup>90</sup> As a rule, Bosnians only have access to public health care where they reside. If a citizen from Zenica-Doboj Canton wants to get treatment in a Sarajevo hospital she has to pay (though there are are some exceptions for emergency situations<sup>91</sup>).

Disparities in health care spending 2015<sup>92</sup>

| Health fund (territory covered) | Total spending<br>(€ mio) | €/insured person |
|---------------------------------|---------------------------|------------------|
| Sarajevo Canton                 | 230                       | 543              |
| Republika Srpska                | 375                       | 413              |
| Gorazde Canton                  | 10                        | 389              |
| Herzegovina-Neretva Canton      | 75                        | 386              |
| Canton 10                       | 17                        | 339              |
| Tuzla Canton                    | 140                       | 320              |
| Posavina Canton                 | 9                         | 310              |
| West Herzegovina Canton         | 25                        | 301              |
| Zenica Doboj Canton             | 100                       | 297              |
| Una Sana Canton                 | 60                        | 287              |
| Central Bosnia Canton           | 55                        | 258              |

The fund provides a list of treatments and medicine covered: <u>Lista zdravstvenih usluga koje se finansiraju sredstvima Federalnog Fonda solidarnosti</u>, 2009.

Federation of Bosnia and Herzegovina, <u>Zakon o zdravstvenom osiguranju FBiH</u>, 1997. RS, <u>Zakon o zdravstvenom osiguranju RS</u>, 1999.

<sup>&</sup>lt;sup>90</sup> Federation of Bosnia and Herzegovina, Zakon o zdraystvenom osiguranju FBiH, 1997.

Funds can decide to cover treatment in another canton or entity if they find that a specific treatment cannot be offered in their area.

Federation Health Fund, "Obračun sredstava u zdravstvu Federacije Bosne i Hercegovine za 2015. godinu" (for cantons); RS Health Fund, "Saopstenje o ukupnim izdacima za obavezno zdravstveno osiguranje fonda zdravstveno osiguranja Republike Srpske za 2015. Godinu." The 2015 Report published by the Brcko District Health Fund notes expenditures of € 17 million, but does not provide the number of insured persons. Brcko District Health Fund, "Izvjestaj o izvrsenju finansijskog osiguranja Brcko Distriktra BiH za period od 01.01.2015. do 31.12.2015. godine", February 2016.

All funds rely on contributions paid by those registered in the territory they cover. The four funds which dispose of more than € 100 million are the RS health fund and the cantonal health funds of Sarajevo, Tuzla and Zenica-Doboj.

A serious debate on health care reform in Bosnia has little to do with ethnicity. It would need to address basic questions first. How do the different existing funds, their managers and the health care institutions they control operate? Are there best practices? What cooperation agreements would make sense between different jurisdictions? There are also important issues of fiscal federalism to examine: should prosperous jurisdictions subsidise poorer ones? Sarajevo Canton (majority Bosniak) spends more than twice as much per insured person as Zenica-Doboj Canton (also majority Bosniak). And there are issues of politics: does health policy play any role in cantonal elections? Do parties have strategies and proposals how to improve services? Similar questions might be asked about many other policy areas, from education to welfare, from agricultural to employment policies.

The distribution of public revenues also merits a closer look. Note that the ten cantons in the Federation vary significantly in size and wealth. Entities and cantons raise taxes and fees (most notably profit tax). However, the largest part of their income consists of their share of indirect taxes like VAT, custom fees and excise taxes. These are collected in a joint account at the state level and then redistributed. Roughly two thirds go to the Federation, and one third to Republika Srpska. Of the Federation's share, slightly more than half goes to the cantons. This is regulated by a Law on the distribution of public revenues in the Federation. The distribution is based on a formula taking into account the number of inhabitants (57 percent), the number of primary (24 percent) and secondary school pupils (13 percent) and the geographical size of the cantons (6 percent). The resulting shares are then modified by a coefficient for "special expenditure needs." The shares of two cantons with "low revenues" are multiplied by 1.1 (Canton 10) and 1.8 (Bosnia-Podrinje).

Sarajevo stands out: although it is the richest canton in the Federation its share of allocated indirect taxes is multiplied by  $2.^{94}$  Is this justified? Sarajevo is Bosnia's administrative centre. The employment rate in Sarajevo (42.3 percent in 2013) is well above the Federation's average (26.7 percent). Salaries are higher. And yet, in 2013 Sarajevo Canton received € 185 million from the joint account, while Tuzla Canton, with a larger population, a larger territory and a larger number of pupils in its schools, freeeived only € 97 million. The result is that Sarajevo Canton, with 18.5 percent of the population of the Federation, accounts for 34 percent of all cantonal spending.

Federation of Bosnia and Herzegovina, <u>Zakon o pripadnosti javnih prihoda u Federaciji Bosne i Hercegovine</u>, 2006.

Federation of Bosnia and Herzegovina, <u>Zakon o pripadnosti javnih prihoda u Federaciji Bosne i Hercegovine</u>, article 9, 2006.

Federation of Bosnia and Herzegovina, Institute for Statistics, Kantoni u brojkama, 2013.

In the school year 2012/13 there were 24,287 pupils enrolled in secondary schools in Tuzla Canton and 20,975 in Sarajevo Canton. See: Federation Statistical Agency, <u>"Secondary Education in Federation of Bosnia and Herzegovina end of 2012/13"</u>, 2014, pp. 22 and 41.

Federation Audit Office, <u>"Izvjestaj o reviziji finansijskih izvjestaja budzeta kantona Sarajevo za 2013. godinu"</u> (IV. Prilog: Finansijski izvjestaj), <u>"Izvjestaj o reviziji finansijskih izvjestaja budzeta kantona Tuzla za 2013. godinu"</u> (IV. Prilog: Finansijski izvjestaj).

Rich and poor – How much cantons spend 98

| Canton              | Per capita expenditure |
|---------------------|------------------------|
|                     | 2013 in €              |
| Sarajevo            | 795                    |
| Bosnia Podrinje     | 680                    |
| Average             | 427                    |
| Herzegovina-Neretva | 382                    |
| Zenica-Doboj        | 367                    |
| Canton 10           | 365                    |
| West Herzegovina    | 358                    |
| Tuzla               | 349                    |
| Posavina            | 333                    |
| Una-Sana            | 330                    |
| Central Bosnia      | 312                    |

Calculation based on census figures and budgets presented by the Federation Audit Office (see footnote of the table above).