



Buying Loyalty?

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Belgrade, November 2019

Over the past two decades there has been a trend of increasing budgets for security actors. Thus, relative to their budgets in 2016, the 2019 budgets of the Ministry of Defence and the Ministry of the Interior have seen increases of around 70 and 40 percent, respectively. Over the same period the budget of the BIA has also increased by nearly 40 percent.¹ The problem here is that the public, journalists and National Assembly deputies do not know what these funds will be spent on. It is no longer possible to see even the most basic budget categories for the security services as the budget of the BIA has been shown only in aggregate as a total amount since 2015 and the budgets of the VBA and VOA have been completely merged into the budget of the Ministry of Defence since 2014 and are not even shown as totals.

Therefore, in addition to concern about the numerous cases of secret tailing, surveillance and intimidation of journalists and activists by what are suspected to be members of the security services, certain elements of the public, the press and of elected representatives have also expressed concerns that the increased budget of the BIA will serve to enliven and strengthen its role as a political police force – especially through the appointment of new personnel loyal to the ruling party. These suspicions are further strengthened by the party political appointments in the BIA, amendments to legislation regulating the agency, which gives its director, Bratislav Gašić, greater discretionary powers and the public appearances of high-ranking BIA official, Marko Parezanović.²

Year	BIA Budget	Increase relative to 2016	Increase relative to previous year
2020	6,632,277,000 RSD ≈56.457.922 EUR	2020 increase relative to 2016 = 46%	2020 increase relative to 2019 = 6%
2019	6,268,995,000 RSD ≈53,127,076 EUR	2019 increase relative to 2016 = 38%	2019 increase relative to 2018 increase = 18%
2018	5,305,654,000 RSD ≈38,118,201 EUR	2018 increase relative to 2016 = 17%	2018 increase relative to 2017 = 15%
2017	4,625,112,000 RSD ≈38,118,217 EUR	2017 increase relative to 2016 = 2%	2017 increase relative to 2016 = 2%Q
2016	4,519,958,000 RSD ≈36,712,704 EUR	--/--	--/--

Table 1 Overview of the BIA budget (increase) 2016-2020

¹ Budgets are available at the Parliament's web pages: <http://www.parlament.gov.rs/akti/doneti-zakoni/u-sazivu-od-16-%D0%B0prila-2014.3411.html> and <http://www.parlament.gov.rs/akti/doneti-zakoni/doneti-zakoni.1033.html>

² For more on this, see the sections: Party Patronage and The BIA Fighting an Internal Enemy of the State.

	Ministry of Defence Budget (dinars)	MUP Budget (dinars)
2019	95,058,946,000	85,290,535,000
2018	70,484,263,000	74,923,801,000
2017	58,867,536,000	66,010,857,000
2016	55,788,602,000	61,739,377,000

Table 2 Overview of the MoD and Mol budget (increase) 2016-2019

In addition to this sudden increase in spending on security sector actors the authorities have decided to build housing in cities across Serbia that armed forces, security service and police personnel can purchase at significantly reduced rates. This homebuilding was enshrined in law in late May 2018 when the National Assembly adopted the Law on Special Conditions for Realisation of Project Housing Construction for Members of the Security Forces³, which stipulates that the price of these homes should not exceed 500 euros per square metre. According to civil engineers this price is not realistic.

In other words, the price of 500 euros per square metre is realistic only if some of the costs of construction are written off, signed over to the national or local budgets or covered by the investors themselves.⁴ Representatives of the Government of Serbia have stated that 8,022 homes will be built for security forces personnel in 2019 and 2020 for a total cost of 325 million euros.⁵ By looking at the national budget for 2019 we found that around 31 million euros was allocated to a category entitled, “construction of housing for armed forces personnel”.

³ Law on Special Conditions for Realization of Project Housing Construction for Members of the Security Forces, Official Gazette of the Republic of Serbia, no. 41, 31 May 2018.

⁴ Stevanović, V. (2019). Grade se stanovi za bezbednjake, mogu li i ostali da računaju na te povlastice. N1 info, 08.02.2019. Beograd.

⁵ Više od 8.000 stanova za pripadnike snaga bezbednosti. Vlada Republike Srbije. 23.07.2019. Beograd. Internet: <https://www.srbija.gov.rs/vest/399855/vise-od-8000-stanova-za-pripadnike-snaga-bezbednosti.php>

“Serbia is being faced with mass outflow of construction workers both high and low qualified. It is very hard to believe that any investor would want to engage (scarce) workforce in a projects that yield zero or minimal profit. That is only possible if he is granted by the government with some big and lucrative jobs where high profits would pay off engagement in building homes without profit. Anyway, these both high and low (nonmarket) prices are payed by citizens themselves in the end as they are to repay loans taken by the government.”⁶

Of course, the question that promptly arises is why apartments at such low prices are intended for and offered only to security services, military and police personnel and not to government employees in other sectors whose work more immediately impacts the lives and health of ordinary citizens. According to estimates by the Serbian Medical Chamber, around 300 mostly experienced doctors emigrate from Serbia in search of better living conditions and work environments.⁷

The reasons for the preferential treatment for security forces personnel could not even be discussed publically because, according to the Law’s proponent, the draft bill itself contains information of the interests of the Republic of Serbia that could potentially pose a threat to national or public security or for security and intelligence affairs were they to be revealed.⁸

⁶ “Even if these cheap homes were built, I would never live in them as they would be of very low quality and as such ‘bottomless pit’.” Interview with civil engineer no. 1. Serbia is facing serious deficit of construction workers and as a consequence workforce is even imported from Moldova, Ukraine, Turkey... which only put additional financial burden to investors as they have to cover accommodation, meals etc. for them. Stevanović, M. (2019). Manjak radnika zaustavlja nove investicije. Danas. 17.11.2019. Beograd, Dnevni list Danas.

⁷ Petrović, I. (2017). Egzodus lekara iz Srbije? Deutsche Welle. 06.12.2017. Bonn, internet: <https://p.dw.com/p/2ojf3>

⁸ O Zakonu o posebnim uslovima za realizaciju projekta izgradnje stanova za pripadnike snaga bezbednosti. Otvoreni parlament. Beograd, CRTA, internet: <https://otvoreniiparlament.rs/akt/3638>

It is possible that the Serbia's political leadership are doling out preferential treatment to security sector personnel in order to try to ensure their loyalty at all costs. Because,

“[a] dissatisfied doctor can easily find work on the side and they can now even leave for Germany. This does not affect the government directly. Things are significantly different and more difficult for security sector personnel. A dissatisfied security sector employee is dangerous for the government.”⁹ This is borne out also by the experience of the Milošević regime: “Milošević fell at that moment when the security services ceased to be loyal. Vučić is trying to avoid the same outcome at all costs.”¹⁰

Two further facts indicate that the increased budgets of security services and the construction of low-cost housing for their personnel are indeed part of a “party-led project”. Firstly, both approaches resulted from decisions reached independently by the Defence Minister, Aleksandar Vulin, the BIA director, Bratislav Gašić, and the Minister of the Interior, Nebojša Stefanović, at a meeting held in September 2017. Of course, with the prior approval of the President of Serbia, Aleksandar Vučić.¹¹ The issue here is that the neither the Government, led by the newly appointed Prime Minister, Ana Brnabić, nor the Ministry of Finance, then headed by Dušan Vujović, participated in the decision-making. Instead, the decision was made at liberty the leaders of the security apparatus who were, what is more, members and founders of the SNS.

“If the Government existed, could two ministers and the chief of the BIA [...] dictate whether salaries in their jurisdictions would be increased and by how much? Would it be possible for the Prime Minister and the Finance Minister to be left out of this ‘approach supported by the President’?”¹²

These policies later became part of the ruling party's self-promotion. The construction of the first apartments was launched with the ceremonial laying of the foundation stone in Vranje and Niš as part of the Future of Serbia campaign, led by the SNS and the President of Serbia, Aleksandar Vučić¹³,

⁹ Interview with former security service officer no. 1.

¹⁰ Interview with former security service officer no. 2.

¹¹ Zaposlenima u MUP, BIA i odbrani 10 odsto veće plate. *Politika*. 06.09.2017. Beograd, Politika novine i magazini d.o.o. internet: <http://www.politika.rs/sr/clanak/388342/Zaposlenima-u-MUP-BIA-i-Odbrani-10-odsto-vece-plate>

¹² Marković, R. (2017). Povećanje plata i penzija - Negde u zemlji snova. *Vreme*. br. 1393. 14.09.2017. Beograd.

¹³ According to the President, the goal of the campaign was to inform the public of all that had been achieved in the past year and what will be achieved in the year to come: Vučić: U kampanji 'Budućnost Srbije' obići ću svih 29 okruga naše zemlje - Želim da čujem šta narod želi! *Pink vesti*. 08.02.2019. Beograd, Pink.

and which ended with a major political rally by SNS supporters in Belgrade.¹⁴

Finally, the director of the BIA, Bratislav Gašić, has repeatedly and publically thanked President Vučić, “because through his personal involvement he has contributed enormously to the strengthening of the Agency’s capacities”.¹⁵ Similar statements were made by high-ranking BIA official, Marko Parezanović, at a conference organised by *National Vanguard*.¹⁶ It is not evident what constitutional or legal powers the President of the Republic was able to use to contribute to the strengthening of the Agency’s capacities.

<http://pink.rs/vesti/114041/vucic-u-kampanji-buducnost-srbije-obici-cu-svih-29-okruga-nase-zemlje-zelim-dacujem-sta-narod-zeli>

¹⁴ Miting "Budućnost Srbije" u Beogradu završen govorom Vučića i specijalnom pesmom. N1 info. 19.04.2019. Beograd, N1.

¹⁵ Gasic, B. (2018). The speech of the Director of the Security - Information Agency, Mr. Bratislav Gašić at the Agency Anniversary, 17.10.2018. Belgrade, Security-information Agency, internet: https://bia.gov.rs/sites/default/files/2019-11/govor_direktora_oktobar_2018.pdf

¹⁶ Parezanovic, M. (2018). Prvi panel konferencije "Ka bezbednosj Srbiji". 05.10.2018. Beograd, Nacionalna avangarda. internet: <https://www.youtube.com/watch?v=yDAGqJCwxVs&t=2549s>