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MONTENEGRO AND THE POLITICS OF CRIME

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Another concerted European Union (EU) effort is underway to discredit the Montenegrin authorities and to undermine the republic's drive for eventual independence. The international media campaign, evidently at the behest of officials in Brussels, is once again focused on portraying Prime Minister Milo Djukanovic as a cigarette smuggler. The key reason this time round is that the Montenegrin authorities, unlike Serbia's, have been leaning toward signing an agreement with Washington that is at odds with Brussels. It involves the non-extradition of citizens to the International Criminal Court (ICC), which the United States considers illegitimate.

Interestingly enough, previous allegations about "Montenegrin criminality" appeared at a time when the republic stood on the verge of a referendum on statehood, which was not to the EU's liking. When Podgorica, under enormous EU pressure, tantamount to economic blackmail, relented and decided to sign the Union agreement with Serbia, the charges of criminality miraculously disappeared.

According to Radio Free Europe, the latest accusations against Djukanovic bear the appearance of orchestrated political pressure. Even the way information about the Italian investigation was leaked to the Montenegrin public raises questions about the legitimacy of the allegations. Nebojsa Vucinic, a professor of international law in Podgorica, noted that the accusations come at a time when the question of Montenegro's independence has again resurfaced. Moreover, Montenegro's support for the U.S. on various international issues has evidently enraged Brussels.

The accuracy of any criminal allegations should be impartially investigated. But even if the charges, that certain officials in Podgorica were involved in cigarette smuggling and sanctions-busting operations, have some merit, what was the political context of such activities? Three issues must be examined in a much more sober and systematic way: the relationship between criminality and national resistance during the disintegration of Yugoslavia; the contours of economic development in post-communist societies; and Western acquiescence to clandestine trade. It would also be invaluable to ascertain who stands to benefit from the aspersions cast against Montenegro.

The collapse of Yugoslavia criminalized, to varying degrees, all the emerging states and many of the new elites. When central institutions disintegrated, the economies slid and various interest groups prospered; many of their transactions would be considered illicit in any fully formed democracy. But one needs to inquire what objective did this trade serve: simply to enrich the new rulers or to create independent states in a difficult domestic and international environment, or both?

In Croatia, Bosnia, Slovenia, and Macedonia, unregulated transactions enabled these states to break embargos and gain weapons for self-defense and ultimate liberation from Milosevic. In all these cases, the disintegration of the federal state and prevailing clandestine conditions also allowed certain interest groups to gain resources for personal enrichment, as the Tudjman case in Croatia clearly demonstrated.

Although Montenegro was a late starter, it also acquired the means and the muscle to defend its sovereignty, often through unconventional channels. Indeed, one can argue that the shrewdness and preparedness of its leadership in the late 1990s created and preserved the sole island of hope in the remainder of Yugoslavia. Podgorica organized the most effective anti-Milosevic opposition that was repeatedly praised by international actors. The hypocrisy of the latter now looks blatant in the light of the praise that was heaped on Montenegro when this was convenient and expedient.

Sanctions busting was the major economic activity of all the Balkan states during the UN embargo on Yugoslavia and it was accepted if not condoned by the West as a means of economic survival. If indeed, money skimmed from smuggling legal goods such as tobacco (despite the efforts of the anti-smoking lobby, cigarettes are still not classified as illicit drugs) was employed to establish mechanisms for resisting the regime in Belgrade, then this was clever politics rather than a simple criminal venture.

Premier Djukanovic has asserted that the cigarette trade did not constitute smuggling, as the merchandise had been in transit in Montenegro as a way to circumvent the oppressive sanctions aimed at Milosevic. This was accomplished in accordance with Montenegro's legislation -

money from the transit deals was earmarked for state coffers to pay for social programs and civil servants, and the trade was monitored by EU representatives who found no irregularities.

In terms of state construction and economic development, all transitional countries in Eastern Europe have confronted yawning gaps between the discredited old system and the emergence of a state based on the rule of law. Corruption, insider trading, and organized criminality have mushroomed and invariably involve leading politicians. These phenomena must be combated, but this is much easier in a secure and recognized state such as Hungary than in an aspiring republic such as Montenegro still in search of its final status.

Similarly, in a post-crisis situation, analysts must determine in which direction any country is heading - toward authoritarianism and *mafiaism*, or pluralism and legalism. Instead of sensationalist condemnations and accusations, there must be a focus on building legitimate institutions and fighting criminality through the engagement of all major political forces.

In terms of international responses, we need to be consistent. The Dayton process that brought peace to Bosnia-Herzegovina involved both war criminals and sanctions' profiteers. When it suited Washington and the EU, a blind eye was turned to the business interests of many politicians in the region. This continued after the overthrow of Milosevic when a new cohort of "businessmen politicians" was elevated as democrats and promptly received international assistance. The assassinated Serbian prime minister, Zoran Djindjic, was among them.

The hypocrisy becomes even more glaring when one considers the scandals over bribes, shady business contacts, and unregulated party financing that continues to embroil past and present political leaders in Germany, France, Italy, and other EU states. Corruption and illegalism are clearly not Balkan specialties despite the unsavory stereotypes perpetuated by some circles in the West. Moreover, both Western and Russian mafias intersect with local criminal networks throughout South East Europe and greatly compound existing problems. And yet no fingers in Brussels are pointing at President Putin, despite the close connections between Russian politics, business, and crime.

The current attacks on the Djukanovic government are politically motivated and designed to put pressure on Podgorica to abide by the EU *diktat* over the ICC. Disclosures about cigarette smuggling are either part of a sustained anti-smoking campaign orchestrated by international health lobbies or useful ammunition to help preserve the new artificial state union with Serbia. If the cigarette smuggling episode falls into disuse, one may expect more imaginative charges by Brussels – maybe Bin Laden and Saddam Hussein have found refuge in Podgorica?

Paradoxically, the accusations against government circles in Podgorica make it even more imperative that Montenegro regains its statehood. In the context of crime and corruption, there are three important reasons for Montenegro's independence. First, the disentangling of the convoluted union structure can make the remaining two governments more transparent and accountable. Second, with independence both Montenegro and Serbia can deal directly with international organs and Western governments to construct democratic legal systems and combat organized crime. And third, the electorate will have more impact on a single government especially if reform, transparency, and independence become interlinked. Ultimately, an independent Montenegro will be much easier to influence and integrate by the EU.

In assessing the context in which smuggling occurs, we need to delve a little deeper than the newspaper headlines and seek to understand the politics behind the smoke. And Washington should rethink its position of refusing to sign an agreement on extradition with Podgorica on the grounds that Montenegro is not an independent entity. Such a position is ultimately counter-productive: it pushes our prospective allies away and it encourages Brussels to treat the Balkan states as mere vassals. ■

Montenegro's Foreign Policy Priorities: February Meeting of the CSIS-U.S.-Montenegrin Policy Forum. On February 24, 2003, Dr. Dragisa Burzan, foreign minister of Montenegro, addressed the CSIS U.S.-Montenegrin Policy Forum. Minister Burzan outlined the foreign policy commitments of his government to members of the Washington policymaking community. His visit came following the realization of the new EU-brokered state: Serbia and Montenegro. Dr. Burzan stated that the emergence of the union between Serbia and Montenegro was "in the interest of regional stability and encouragement of the process of stabilization and association with the EU." The formation of joint governmental policies and the importance of achieving stabilization throughout the Balkans as a necessary precursor for political and economic reform were central subjects of the discussion. Visit the East Europe pages of the CSIS website www.csis.org/ee to download Foreign Minister Burzan's speech.

Montenegro in a New Political Context: March Meeting of the CSIS-U.S.-Montenegrin Policy Forum. On March 18, 2003, Director Srdjan Darmanovic and Senior Analyst Rade Bojovic of the Center for Democracy and Human Rights in Podgorica discussed Montenegro's new political context at a CSIS U.S.-Montenegrin Policy Forum. Darmanovic and Bojovic analyzed current political developments in Serbia and Montenegro in the wake of Serbian Prime Minister Zoran Djindjic's assassination on March 12, 2003. The speakers also provided an assessment of the reform process in Montenegro, concluding that the necessary changes "have just begun." Visit the East Europe pages of the CSIS website www.csis.org/ee to download the guest speakers' talking points and the meeting report.

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