

UNIVERSITY OF BELGRADE

Faculty of Political Sciences

Belgrade, August 2018

At the meeting of the Department of International Studies, held on 7 September 2017, the Master Thesis Defense Commission (hereby the Commission) for the candidate Ana Heras del Arco was formed with the following members: Prof. dr Dušan Spasojević, asist. dr Aleksandar Milošević, and prof. dr Nemanja Džuverović. The Council for the Second and Third Cycle of Studies has accepted the proposal made by the Department.

After reading the master thesis, the Commission is submitting the following report.

R E P O R T

The master thesis of Ana Heras del Arco entitled "The Role of Corruption in Peacebuilding in Conflict-Affected Societies: The Case Study of Serbia" is comprised of four chapters, next to the Introduction, the Conclusion, and the list of references.

In the first chapter, the candidate explores the relevance of corruption as a phenomenon that closely affects all areas of citizen's lives in Serbia, having in that way a negative effect on the development of the country; as well as introduces the specific relation between corruption, post-conflict societies, and peace. The chapter is introduced with an overview of the challenges of fighting corruption in Serbia, evolving from the political changes that took place in 2000 (presented in the introduction); to the establishments of the first institutions and legislation created for that purpose; and the impetus provided by the European integration process and the development of the National Anti-Corruption Strategy.

The next section, based on the findings by the UNDP Corruption Benchmarking Survey (2015), the World Bank Enterprise Survey (2013), and the Transparency International Global Corruption Barometer (2016); introduces the perception of Serbian citizens and businesses of corruption, considered one of the major problems in Serbia, as well as the extent of its reach in the health, law enforcement, education, judicial and public administration sectors. Additionally, the concept of corruption as an inhibitor of business and economic development is also displayed, as well as the shortcomings of investigating and prosecuting corruption, related to the pervasive nature of the phenomenon in Serbia and the flawed incentive system in place.

Susan Rose-Ackerman and the Peace and Corruption 2015 Report present in the following section the relevance of keeping corruption under control in the successful building of peaceful societies, as well as the particular conditions present in post-conflict societies that allow corruption to thrive.

The last section provides an overview of the corruption situation in the main areas of the political and societal systems in Serbia: political (from election fraud to party financing), in the Public Administration (jointly with public finance management), in public procurement, in the justice system (including law enforcement, and particularly relevant), in the healthcare and education systems, tax, customs, and in the media.

In the literature review chapter, the candidate reviews various literature sources related to three main topics: corruption and development, corruption in post-conflict societies, and the relation between development and peacebuilding, linking all three concepts. In the first section, based on the work of authors Gray and Kaufmann; Mark Robinson; Chetwynd, Chetwynd and Spector; as well as on Transparency International's Global Corruption Reports: Health and Education; the nature, causes and consequences of corruption are explored, together with its relation to the development of a country.

Firstly, the definition of corruption is presented, along with some of its different types and some additional causes of corruption, especially in post-conflict societies, as well as the concept and implications of systemic corruption. Secondly, the economic costs of corruption, together with the effects on the main development indicators: education, health, poverty and inequality are examined, evidencing an overall negative relation between them.

In the second section, authors Susan Rose-Ackerman, Christine S. Cheng, Dominik Zaum and Mark Philp, as well as Divjak and Pugh, provide the candidate with the main body of literature to review regarding the position of corruption in post-conflict societies. First, a reconceptualization of corruption in the context of peacebuilding is presented, forming the basis to explain the unique dilemmas that are faced by peacebuilders when it comes to establishing new sets of norms in these kind of societies. As a clarification, the definitions considered for peacebuilding, state building, and structural peacebuilding are provided, as well as Miall's, Ramsbotham's, and Woodhouse's compilation of critics towards the Western approach to peacebuilding. The gaps created by political and economic transformation are introduced as providing opportunities for corruption to take hold, followed by the specific challenges that international peacebuilding brings to a country when it comes to corruption.

Finally, a section exploring the traditional link between corruption and development, challenged by a critical current of authors who consider an approach to development more

focused on equity and long-term peace sustainability is examined, based on the work of Mats Berdal, Woodward, Pugh, Zaum and Richmond; providing the necessary link between corruption, development, and peacebuilding.

In the third chapter, the candidate focuses on Serbia as the case country for the study of the relation between corruption, development, and peacebuilding, gathering data from different sources such as OECD, World Bank, UNDP, European Commission, etc. The first part, mirroring the theoretical approach, focuses on the evidence of the cost of corruption on the presented development indicators in Serbia, presenting data that shows negative effects on economic growth, business environment, fair access to and quality of education, access to healthcare, exacerbation of poverty and inequality.

The second part introduces Serbia's main peacebuilding process, the EU integration process, its implications as a state building process, its shortcomings, and its relation with corruption, as well as two other indicators for the negative impact of corruption on peacebuilding in Serbia: the instability created by mistrust in institutions and the higher likelihood of corruption-related and general crimes.

This section is complimented by a conclusion, expressing the main thesis as: if corruption has a negative effect on all areas of development, and some of these areas are important when it comes to peacebuilding, corruption has thus a negative impact on the peacebuilding process of a country, by also precipitating instability and risk of erosion of the state legitimacy.

Finally, the chapter on recommendations presented are twofold, including recommendations for prevention and fight against corruption as negative for development and peacebuilding, as well as recommendations for the improvement of peacebuilding processes taking into account its shortcomings and the specific challenges of corruption.

The Commission is convinced that the candidate Ana Heras del Arco has shown deep understanding of the issue of corruption, and the negative effects its prevalence can have in conflict-affected and post-conflict societies. Also, the Commission is satisfied how the candidate has applied the theoretical framework on the case study of Serbia in the period after 2000. Based on this, the Commission concludes that the master thesis "The Role of Corruption in Peacebuilding in Conflict-Affected Societies: The Case Study of Serbia" by Ana Heras del Arco fulfils all the formal criteria for the public defence.

The Commission:

Prof. dr Dušan Spasojević

Assist. dr Aleksandar Milošević

Prof. dr Nemanja Džuverović