

# A Class of Its Own

## Patronage and its impact on Social Mobility in Kosovo

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## Preface

The principles of good governance, universalism, impartiality, rule of law and participatory governance stand opposite to corruption, clientelism, patronage, and state capture. A fair and honest government which treats all subjects equitably is a universal value and not only a modern and Western ideal. While democracies generally cherish these expectations, they are by no means immune to the variants of corruption. However, due to its learning ability, democracy is able to change and progressively bridge the gap between government and the public space.

Research indicates there are at least four important factors associated with lower levels of corruption. An adequate tax system with relatively high taxes provides greater incentives for people to scrutinise the allocation of resources and mobilize politically against corruption. Quality public education equips the young with knowledge and concern about the use of public goods. Equality between men and women and the inclusion of a higher proportion of women in the active labour force would improve governance. The fourth factor is directly related to the main focus of this joint endeavour between Democracy for Development Institute and Heinrich Böll Foundation.

The most relevant for this paper is merit-based recruitment to public services, the lack of which is slowly eroding the very foundations of Kosovo's young democracy. The lack of independence and meritocracy in public institutions hampers their effectiveness. Solidarity with one's kin, family, party, friends, or colleagues takes precedence over reward for performance. The motivation of youngsters to work hard for a career weakens, and the trust in the very structures of the state diminishes.

As a term, 'state capture' is usually defined as 'excessive exploitation of public resources by the ruling elite'. In our

view, this becomes part of ‘an irreversible process’ whereby control is used for further control, perpetuating the abuse of public resources by an elite that reproduces itself at all levels of governance.

Desk research, media reporting, public opinion and expert interviews all point in the same direction—patronage runs high, the opportunity for corruption is widespread, and the quality of the civil service is low. This leads to social immobility which raises concerns beyond inequity. The issue is not whether one party draws undue influence compared to others, but that this amounts to long lasting negative effects to a new society. It is tremendously damaging to erode the trust that people have in the system, before the system is even fully set up.

There are serious doubts to whether Kosovo is an open and just society. Previous research conducted by Vesna Pešić indicates that much of the region does not have open and just societies. Since the 1990s, the post-socialist transformation of Serbia took a different path than other regional countries and today it is not an example of a successful societal transformation. The hypothesis is that the same holds true for Kosovo, where we observe a continuous process of the closure of the political elite.

The concept of meritocracy puts high esteem on the educational achievements of individuals. Those who achieved the best educational results and worked the hardest deserve to achieve the highest social position. However, the strong correlation between social position and educational achievement tends to remain unnoticed.

The idea of meritocracy was successfully used by the bourgeois middle class to delegitimize the high ranking social position of aristocracy, which in feudal societies was privileged by birth. Meritocracy is clearly not faultless, and some countries have seen it leading to elite entrenchment in

a way that also hindered social mobility of the underprivileged. The Economist observed that in the US

money flows to talent rather than connections, and that people invest in their children's education. But the clever rich are turning themselves into an entrenched elite. This phenomenon—call it the paradox of virtuous meritocracy—undermines equality of opportunity.<sup>1</sup>

That money flows to talent and not connections would have been a massive improvement in Kosovo, which has decades before it hits this collateral cost of what is otherwise a great principle. This critique of meritocracy should be kept in mind for the future and it will be long until it becomes an issue. Meritocracy has a clear middle class bias and in the long run is advantageous to the middle and upper classes. Currently, meritocracy is the single most useful idea to delegitimize the closure of the Kosovar elite and the resulting *partitocracy* (along with patronage and cronyism).

Transition brought the advent of political parties, supposed to serve as the very pillars of democratisation. Observing other countries under transition, it was easy to foresee that it is precisely parties that initially hijack the democratic process, but that sooner or later, these clientelistic regimes are replaced by more responsive systems. But some countries have fallen prey to well established networks that have become repellent to competition and criticism, and hence impervious to change.

Enmeshed with its liberation struggle, Kosovo saw a parallel class struggle. Decades of regional politics and favouritisms started to unravel. Kosovo saw a *volte-face* change of its elites. Over half a century ago, communists proclaimed a class-less society but obtaining one privilege after another, they ended up creating a bureaucratic class. In the past decade, Kosovo's 'liberators' and 'institutionalists' similarly created a class of their own.

No group is affected more than youth. Kosovo is a very young society with an ambitious youth. Yet they operate in a system that's working against them. Decision-makers in Kosovo consist of a very narrow group, consisting of men between 35 and 50, from liberation heroes to village leaders. Opening up governance to a wider group implies a fight for equality not only among ethnic groups, but primarily between men and women.

Kosovo's patriarchal partitocracy necessitates a strong remedy. Thus, Kosovo does not need a new program; it needs a new operating system. In Italy Beppe Grillo scored electoral success precisely from claiming that much of the political spectrum belonged to the same old caste.

D4D's study does not aim to sound as revolutionary as the one espoused by the predominantly young Grillinis. But Kosovo also needs a transformation that includes revolting against the established class which considers state spoils as their own. Short of a revolution, the challenge is that we need to seek allies among the current caste.

**Andreas Poltermann**, *Director of Belgrade Office, Heinrich Böll Stiftung*

**Leon Malazogu**, *Executive Director, Democracy for Development Institute in Kosovo*

*This preface is based on the opening remarks at the discussion over an earlier draft of this paper on 14 March 2013. The event brought together experts, academics and policymakers from Kosovo and the region to discuss the research findings and the broader themes of state capture and social mobility.*

## Executive Summary

The paper aims to assess the extent to which the distribution of opportunities to get ahead in society is inequitable and whether this phenomenon has amounted to state capture. State capture occurs when state resources and institutions are used for private ends. Political patronage is a means to state capture and refers to political party interference in the allocation of public jobs and resources for political gain. Patronage has various negative effects, mostly in reducing the quality and impartiality of civil servants. Crucial to this research, patronage hinders social mobility by hampering access to public sector jobs on the basis of merit, as a means to improve one's socio-economic status.

Patronage is among the many challenges facing Kosovo's transitional democracy today. Political and personal connections, as opposed to academic and professional achievement, have become the primary means of getting ahead. Patronage in Kosovo is stifling social mobility by excluding meriting individuals from accessing public sector jobs and by imposing a glass ceiling on career advancements.

The aim of this study is to analyse patronage networks and their impact on social mobility in Kosovo. To this end, we replicated the methodology that was used in the seminal 2012 study by Kopecký, Scherlis, and Spirova on patronage in European democracies, and applied it to the context of Kosovo. Our research methodology consists of a survey of experts, which we complimented with a review of academic and policy literature and news reports. In our interviews, we asked experts to rate the extent, both in terms of breadth and depth, of patronage in Kosovo. We also inquired about what its underlying motivations and modes of operation are, as well what effects it has on social mobility in the society.



We found that patronage is pervasive in Kosovo. Experts almost unanimously expressed that patronage permeates all institution and affects all levels of jobs. As such, patronage appears to be far more pervasive in Kosovo than in any other European country surveyed by Kopecky, Scherlis, and Spirova (2012). Moreover, our expert interviews showed that the motivation for patronage in Kosovo is a combination of the desire to reward party activists and voters, and a means to control state institutions and resources.

Finally, we found that that patronage heavily hampers social mobility in Kosovo. The majority of our respondents qualified of unlikely that an individual enter the civil service or rise through its ranks based on merit alone. Conversely, political or personal connections are *sine qua non*.

Five policy recommendations are proposed to limit the spread and influence of patronage in Kosovo. In particular, we recommend that Kosovo: (i) continue the current reforms and fully-implement the Civil Service Law, (ii) generalise and standardise meritocratic entrance examinations for all public institutions, (iii) introduce periodic performance assessments for all civil servants and public employees, (iv) gradually reduce the number of civil servants and introduce a performance based salary scheme, and finally (v) reinvigorate the Kosovo School of Public Administration for pre and in-service training for all public employees.

## Introduction

Political parties influence every institution in Kosovo. They are all politicized, from top to bottom. The political caste that is responsible for all of this is only driven by interest: jobs, business, and power. ... But I have always been optimistic regarding Kosovo. Young people must stay here and fight for a better future. They must fight for economic development and to change things by offering better examples for the next generations.

Myzafere Limani, former Dean of the Technical Faculty (University of Prishtina)

This study uses the results of a survey of experts on public administration in Kosovo to show that political patronage is pervasive and has a negative impact on social mobility. The study explores the nature and pervasiveness of the politicization of the public administration, the degree that public institutions have been captured by the private interest, and politicization's effects on social mobility in Kosovo.

The purpose of public institutions is to advance the public interest. The public interest is best served by independent and meritocratic public institutions and such institutions are key to a healthy democracy and competitive markets. During the democratic transition, however, powerful groups often seek to “capture the state”.

State capture occurs when groups or individuals exploit state resources, jobs, and power to advance their own private interests. There are multiple practices that lead to state capture, which include clientelism, patronage, corruption, and nepotism.

This study is primarily concerned with patronage in Kosovo, which is one of the many challenges facing this transitional democracy today. Patronage has many negative effects: it compromises the independence of regulatory and judicial

institutions, politicises the allocation of public goods and services, and reduces the quality of civil servants and the efficiency of institutions. Crucial to this study, patronage distorts social mobility by hampering the ability of meriting individuals to earn an income and build a career in the public sector.

The study aims to explore the nature and pervasiveness of public administration politicization, and its effects on social mobility in Kosovo. The first section of the paper defines patronage and its related concepts. The second part outlines a theoretical framework that explains the interaction between patronage and social mobility. Part three describes the empirical findings of our field research. On the basis of our findings, we propose a number of recommendations aiming to reinstate meritocracy in the public sector and introduce social mobility in Kosovo for the first time.

## Background

After the NATO intervention in 1999, public institutions in Kosovo were re-created under the United Nation's post-war mandate. Kosovo was put under the trusteeship of the United Nations Mission in Kosovo (UNMIK) in line with the United Security Council Resolution 1244. UNMIK administered Kosovo and established its first self-governing institutions, formally known as the Provisional Institutions of Self-Government (PISG).

Kosovo declared its independence in 2008 based on the plan of UN Special Envoy Martti Ahtisaari. During this time, Kosovo was led by a grand coalition of its two largest parties, the Democratic Party of Kosovo (PDK) and the Democratic League of Kosovo (LDK). The institutions of the Republic of Kosovo acquired greater competencies in two main waves: (a) when Kosovo's constitution entered into force in June and (b) four years later when Kosovo's statehood 'graduated' from international supervision.

Independence saw the creation of new institutions associated with full statehood—e.g. the Ministry of Foreign Affairs—and the transfer of oversight of independent institutions from international missions to the government and Assembly. The appointment, management and oversight of independent institutions, such as regulatory agencies and publicly owned enterprises (POEs), came under the purview of the Kosovo institutions.

POEs and independent agencies which were previously managed by Pillar IV of UNMIK (then run by the European Union) began to report to the Assembly. They had formerly been overseen by the Kosovo Trust Agency (KTA) and boards composed of international and local members. The KTA was responsible for privatization and public utilities and management of public enterprises up until Kosovo's Constitution came into force. It has since been succeeded by

the Privatization Agency of Kosovo (PAK), becoming an independent institution accountable to the Parliament.<sup>2</sup>

The institutions of Kosovo were “built from scratch” following the 1999 war. However, along with the advantages of starting anew, there were many challenges inherited from the preceding institutional devastation. For various reasons, this made this initial state building period more challenging than it may have been with a purely “clean slate”.<sup>3</sup>

### ***The political landscape***

Since early 2011, Kosovo’s ruling government has been led by a coalition of the Democratic Party of Kosovo (PDK), the Alliance for a New Kosovo (AKR) and several parties belonging to the Serb and other communities. The government was formed in February 2011, following the contentious general elections of December 2010. This coalition will likely lead the country until 2014, when the expected completion of the electoral reform process should give way to general elections in the country.

The leader of the PDK, Hashim Thaçi, was re-elected Prime Minister in 2011; however, the controversial election process of AKR’s Behgjet Pacolli as President was challenged by the Kosovo Constitutional Court and this eventually led to Pacolli’s resignation. Atifete Jahjaga was then voted by the Assembly as a consensual President, following an agreement by Kosovo’s leading political parties.

While the government’s policies do not have a particular ideological focus, both the PDK and AKR have labelled themselves as “centre right”. The second and the fourth largest parties by size, which are in the opposition, have also labelled themselves as such. This government has mainly been focused on the Kosovo-Serbia dialogue, with an earlier dialogue on technical issues evolving into the current high level political process. This has included ten meetings between Prime Minister Thaçi and Serbian Prime Minister

Dačić to date. Integrating the majority Serb-inhabited north of Kosovo, spurring economic growth and foreign investment, working towards EU integration, strengthening democratic, and specifically rule of law, institutions and fighting organized crime and corruption are the government's key objectives.

### ***The legal context***

The most relevant laws pertaining to this research are the Law on the Civil Service and the Law on the Independent Oversight Board for the Civil Service. The Kosovo Assembly passed the Law on Civil Service in May 2010, forming the “basic conditions for a stable, unified and professional civil service—comprised of about 15,000 civil servants.”<sup>4</sup>

The main aim of the new legislation was to create a career-based system of public service. This process foresaw the conversion of employment contracts from those for a fixed amount of years into open-ended letters of appointment, or permanent contracts. A civil servant receives an open-ended letter of commitment following two years of satisfactory performance and depending on the nature, duties and function of his/her particular position.<sup>5</sup> To date four out twelve ministries assessed by an OSCE study are yet to complete this reform process.<sup>6</sup>

The Law on the Independent Oversight Board for the Civil Service of Kosovo is critical for it creates an independent board to supervise the legality of public service management.<sup>7</sup> The Independent Oversight Board for the Civil Service of Kosovo (IOBCSK) is tasked with adjudicating appeals of civil servants against their employer; determining whether relevant rules are followed in appointing civil servants; and supervising the implementation of civil service principles and rules.<sup>8</sup>

In practice, the impact of this board is fairly limited, and central and local institutions have failed to implement

IOBCSK decisions regarding appeals in a considerable amount of cases. Forty percent of such cases were unexecuted in 2010, and 23 percent were unexecuted in 2011.<sup>9</sup> The Board has also made recommendations in monitoring senior civil servant recruitment procedures. While the majority of these recommendations were adopted, no mechanism was foreseen to implement them or issue punitive actions in case of non-implementation.<sup>10</sup> The creation of a credible mechanism on these recruitment procedures would create the necessary incentive for carrying out such decisions.<sup>11</sup>

The most senior public service position in the Kosovo administration is that of a Ministry General Secretary.<sup>12</sup> According to the aforementioned new legislation, the secretaries are appointed by a special commission and are to be chosen from a pool of managerial and senior managerial positions.<sup>13</sup> More specifically, a candidate should have seven years of relevant management experience.<sup>14</sup> However, as this paper points out, these secretaries are almost always political appointees. The political appointment of a general secretary commonly gives way to a process which “goes in a line,”<sup>15</sup> where top, medium and lower level politicized appointments ensue. Although appointing secretaries through a commission is meant to curb such politicization, this and previous findings indicate that such structures are often and easily circumvented for purposes of political patronage.

## Main Concepts and Definitions

*State capture* refers to the manipulation of the state for private ends. It is used to describe two related phenomena: the capture *of* the state and capture *by* the state.<sup>16</sup> While the former refers to the state being *captured* by private interests, the latter denotes the state *capturing* the private sphere.

On the one hand, there is capturing *of* the state when individuals, firms, or political parties manipulate state resources, jobs and power for their own gains. For example, political parties can capture the state by ensuring that public sector jobs, tenders, and resources are distributed to political allies—as a means to secure votes and party financing. This is commonly termed clientelism and patronage. Furthermore, firms may also capture the state by influencing policy-making or the law-enforcement processes—for example, through the payment of bribes to judges and legislators to deliver a certain verdict or law. This is referred to as corruption.

On the other hand, there is capturing *by* the state when state power is used to embezzle resources from the private sector. For example, the state may be used to prey on the private sector through arbitrary expropriation, preferential treatment to favourite companies, and other forms of rent-seeking.

Both definitions of state capture are interlinked, and the very blurring of the lines between the state and private spheres is exactly what characterises captured states.<sup>17</sup> This study is primarily concerned with the capture *of* the state – and not *by* the state. Specifically, we seek to measure the level of patronage, or the politicisation of public institutions in Kosovo.

Three practices make state capture possible: clientelism, patronage, and corruption. The table below summarises



their fundamental characteristics. In brief, *clientelism* is the general diversion of public resources to build political support, *patronage* is the specific use of public sector employment for political gains, and *corruption* is the use of state power to extort funds from the private sector.<sup>18</sup> All three strategies are used by political parties to gain political support, loyalty, and financial power.

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### Overview of Concepts Related to Patronage

(Source: Kopecký, Mair, and Spirova (2012)<sup>19</sup>)

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	<b>Clientelism</b>	<b>Patronage</b>	<b>Corruption</b>
<b>Resource</b>	Public Goods, In-Kind Gifts, Money, Jobs, Subsidies/Loans	Public Sector Jobs	Policies and Judicial Rulings
<b>Goal</b>	Electoral Support	Reward for Loyalty, and Control of Institutions	Financial Resources
<b>Recipients</b>	Voters	Anybody	Firms or Entrepreneurs
<b>Legality</b>	Legal or Illegal	Legal or Illegal	Illegal
<b>Key Question</b>	Will you vote for me?	Will you work for me?	Will you give me a bribe

Clientelism is a form of particularistic exchange between political parties and voters, in which access to state resources, jobs, and goods are traded in exchange for political and electoral support.<sup>20</sup> Clientelism is characterised

by patron-client relations, which are asymmetrical, reciprocal, personal, enduring, and voluntary.<sup>21</sup> Clientelistic relations are asymmetrical because a patron controls access to state resources that the clients seeks—such as public goods, material and financial resources, and jobs.

Relations are reciprocal because patrons grant their clients access to all sorts of benefits ranging from better access to public goods (education, health care, electricity, running water, etc.), employment opportunities, gifts (mobile credit or medicine), public financing (subsidies/loans), and even money. They are voluntary because violence is not generally used to build and maintain clientelistic networks. Finally, clientelistic relations are personal relations between individuals who enter into an enduring bargain. Clientelism implies an inter-temporal and repeated exchange between a patron and its network of clients.

*Corruption* is a straight-forward one-off exchange of money for a desired policy-making or judicial outcome.<sup>22</sup> A private firm or individual may seek to capture the policy-making process by bribing a politician to vote for a given law, or influence law-enforcement by paying a judge to deliver a certain verdict.

*Patronage* occurs when patrons provide employment to clients in exchange for their electoral support and political loyalty.<sup>23</sup> Personal patronage, also called *nepotism*, refers to favouritism based on personal or family loyalties. This means public sector jobs are allocated exclusively to individuals with political or personal connections, rather than being based on merit. Overall, patronage can be understood as a sub-set of clientelism as it implies the manipulation of a specific public resource (employment) for private gains.

Patronage networks are formed when the recruitment and promotion of civil servants becomes increasingly based on

political and personal connections, rather than objective merit. These networks create a rigid class of powerful and connected individuals, which is impermeable to meriting individuals looking to achieve upward social mobility.

*Social mobility* refers to the ability of people, especially of the youth, to improve their socio-economic status through the merit of their own achievements (educational and professional), as opposed to inherited wealth or connections.

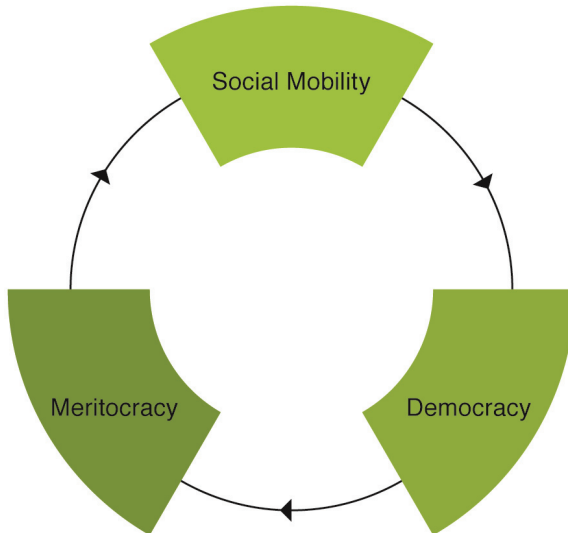
There are two types of social mobility.<sup>24</sup> *Inter-generational mobility* is defined as changes in social status that occur between generations, and refers to the ability of children to have a higher average income than their parents did. *Intra-generational mobility* is defined as change in social status over a single life-time, or within a generation. We are primarily concerned here with intra-generational mobility, or the ability of people to access higher socio-economic levels based on merit—regardless of their background and connections.

## Patronage and Social Mobility in Theory

This part lays the theoretical foundation to understand the link between state capture, patronage, and social mobility. The first section describes the virtuous cycle between democracy, meritocracy and social mobility. The second depicts the opposite vicious cycle between state capture, patronage and social stagnation. The third section deals with the methodological question of measuring patronage.

### *Democracy-Meritocracy-Mobility:*

There is a virtuous cycle between political competition, meritocracy, and social mobility, whereby political competition and social mobility are positively correlated. As illustrated below, political competition fosters pressures for meritocracy in the civil service, which fosters social mobility, and in turn galvanises democracy.



First, democracy fosters meritocracy.<sup>25</sup> Much of the recent academic literature emphasizes how political competition limits patronage politics by constraining politicians.<sup>26</sup> Political competition makes it difficult to establish and maintain patronage networks for two simple reasons: electoral uncertainty and party competition render meritocracy more attractive to political elites. On the one hand, electoral uncertainty weakens patronage networks because a party in power today may not be in power tomorrow; therefore, it cannot guarantee employment to its clients in the long-term. Public servants may also seek to remain independent so as to safeguard their professional longevity.

The possibility of other parties winning future elections incentivises political parties to constrain each other's ability to maintain clientelistic networks.<sup>27</sup> If there is a chance that an incumbent party might lose power, it may seek to establish enforceable meritocratic rules and procedures in order to pre-empt the opposition from establishing its own network once in power. Once an incumbent party feels its political power fading, it will seek to transfer the power of bureaucratic recruitment to a neutral body to avoid it falling into the hands of the opposition.

Political competition also increases electoral pressures to modernise. For parties to win elections, they become increasingly under pressure to professionalise and become based on programmes and ideology. Political competition also forces parties to deliver on campaign promises and deliver public policy results, which intensifies the need for competence. Overall, increased pressure for results makes it less attractive to build and sustain patron–client relations. Progressively, as the pressures increases to deliver results for citizens, the supply of rewards to maintain clientelistic networks dwindles and the scope for patronage is reduced. As a result, meritocracy progressively replaces patronage in

the allocation of state resources and employment.

Second, meritocracy fosters social mobility. As meritocracy becomes more acceptable and widespread, “objective rules, exams, and qualifications replace favours, friendships, and networks in the process of career building”.<sup>28</sup> Bright and competent individuals are able to gain access to public sector employment, regardless of their political connections. As a result, meritocracy in the civil service enables the state to act as a vector of social mobility.

Third, social mobility preserves and galvanises democracy. As access to higher positions in state institutions is increasingly determined by merit, it is more difficult for a political class to entrench itself and capture the state. In the words of Anna Grzymala-Busse, only a depoliticized democratic state can ultimately act as an “effective administrative and executive force”.<sup>29</sup>

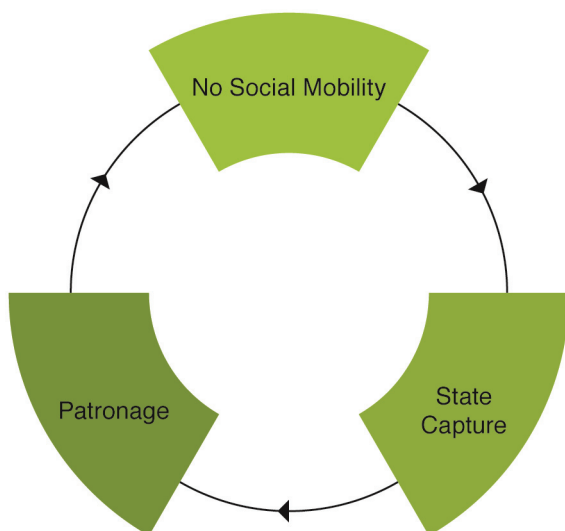
### *Capture-Patronage-Stagnation*

Conversely, a vicious cycle also holds between state capture and low social mobility. State capture leads to the formation of patronage networks that stifle social mobility, which in turn facilitates further state capture. As shown in the diagram below, there are three components of this negative feedback process.

First, state capture implies the formation of patronage networks. “State capture” means that political parties maintain a high degree of control over state jobs, tenders, and resources and use them for their own benefit. In particular, political patrons provide public sector jobs to clients in exchange for their loyalty and support.

The motivations for patronage can be twofold: reward and/or control. Employment in the public sector can be distributed as a means to reward party members for their work, as well as a reward to voters for maintaining their

electoral support.<sup>30</sup> Furthermore, patronage can be motivated by a desire to control the state apparatus by having trusted political clients within the bureaucracy.<sup>31</sup> Patronage is all the more possible in transitional economies where the state is often the largest employer. This is especially true in Kosovo where foreign investments are few and dwindling.



Second, patronage hinders social mobility. Social mobility is more fluid in meritocratic societies where achievement determines status, because individuals can use their skills and hard work to get ahead. Conversely, there is low social mobility in societies where connections are more important than merit because higher social classes become impermeable and inaccessible without political or personal connections.

There are two reasons for which public sector employment

can be a powerful vector for social mobility. Working for the state can be a great opportunity for talented and hard-working people, especially young graduates, to earn an income, build a professional career, and move up the social ladder.

One of the negative effects of patronage is that it precludes meritocracy in the civil service by excluding meriting candidates without political or personal connections. This leads to the creation and perpetuation of a network of politically- and personally-connected individuals that dominate state institutions: a class of its own, which is impermeable to new entries from below.

Patronage also leads to the politicisation of civil service and the decision-making process, the manipulation of independent regulatory and judicial institutions, and reduces the competence of civil servants and the quality of public services by valuing connections above capacity.

Thirdly, low social mobility facilitates ever-more state capture.<sup>32</sup> Social stagnation further entrenches political elites, who continuously extend the reach and depth of their patronage networks. This allows their ever-growing capacities to increasingly penetrate and control state institutions.

The ability to reward party members with jobs in public institutions incentivises activists to remain loyal to the party. Being able to reward voters also raises electoral support for the party. The more members who join the loyalty scheme, they recruit fresh members who form a new layer at the bottom of the pyramid. In addition, the control of institutions means that parties can appropriate state resources and jobs for their own benefit. As Anna Grzymala-Busse points out, the more a political party is strong and entrenched,



the easier it is for such a dominant party to politicize the state and capture its resources, to control institution building, and to privilege itself unchallenged while also corroding reform and perpetuating policy mistakes.<sup>33</sup>

Moreover, citizens who did not join the loyalty pyramid gradually lose faith in the independence of state institutions and meritocratic selection. People soon realise that party membership is the best way to get ahead which leads to patronage slowly becoming the socialised norm within public institutions.

In conclusion, there is a vicious and self-perpetuating cycle between state capture, patronage networks, and low social mobility. Control over public sector jobs enables parties to build pervasive patronage networks, thereby strengthening an already powerful political class, which in turn allows them to capture the public sector even further for their own gains.

## Research Methodology

Academic literature uses three broad approaches to study clientelism and patronage.<sup>34</sup> The first is a sociological/anthropological approach that focuses on providing detailed “thick descriptions” of the “every day practice” of clientelism in specific case studies.<sup>35</sup> This provides great detail, but makes it difficult to make generalisations about clientelism and make comparisons across countries.

The second method is to use proxies, such as the Corruption Perception Index, the market share of government newspapers, or the government wage bill as a share of GDP.<sup>36</sup> While they allow for cross-country comparisons, proxies make tenuous assumptions regarding how proxies are correlated to clientelism.

The third approach is to use surveys. One option is to conduct surveys with large population samples about general questions.<sup>37</sup> They allow standardized cross-country comparisons but can lack depth and explanatory power—in addition to being costly. While these methods may be used for a larger follow-up study, this research uses expert surveys.

### *The Choice of Expert Surveys*

This study is based on an expert survey, which has a number of advantages. Experts can provide the depth needed to shed light on an otherwise shrouded phenomenon. Indeed, targeted interviews provide an “invaluable wealth of details and insider information” and “provide the in-depth investigation necessary to grasp the fine details of the practice of patronage”.<sup>38</sup>

Expert interviews also provide quantitative data about expert perceptions of patronage—mainly regarding its nature, scope, motivations, and consequences. For example, the interviews enabled us to quantify the extent to which

patronage was prevalent in Kosovo, both in terms of its depth and breadth. Moreover, emulating the methodology developed by Kopecký et. al. enabled us to compare our results for Kosovo with their findings in 15 other European countries. The ranking was aggregated into a patronage index and is presented in a forthcoming section of this paper.

Expert interviews also have certain disadvantages. The objectivity of the questions means that the experience, ideas and value judgements of the respondents influences their answers.<sup>39</sup> Respondents might also have limited knowledge or selective memory about past events.<sup>40</sup> To minimise such shortcomings, we selected our respondents carefully based on their substantial and direct experience with the public administration in Kosovo. Moreover, some of the other approaches also present limitations of their own. For example, proxy indicators are only indirect reflections of patronage, and run the risk of over- or under-estimating the actual phenomenon.

In light of these trade-offs, it was decided that a small expert survey was the most suitable methodology for an initial exploratory study on patronage in Kosovo. The most comprehensive research on patronage to-date was conducted by Kopecký, Scherlis, and Spirova (2012).<sup>41</sup> They studied patronage in European democracies by conducting semi-structured interviews with a total of 641 experts in fifteen countries – or about 40 experts per country. Experts included academics, civil servants, NGO experts, journalists, and party officials. They asked a range of questions designed to estimate “the range and depth of patronage appointment, as well as their motivations, mechanics and dynamics”.<sup>42</sup>

In this study, we replicated the methodology of Kopecký et. al. and conducted semi-structured interviews with 14 experts to better understand patronage and its impact on social mobility in Kosovo. We selected our experts on the

basis of their expertise with the public institutions of Kosovo. They included civil servants, politicians, academics, NGO experts, and journalists.

**Classification of respondents according to policy-area and respondent category**

Policy-Area / Category	Civil Servant	NGO / Media / IO	Academic	Politician	Total
<b>Economy</b>	1	0	1	1	<b>3</b>
<b>Education</b>	1	1	2	0	<b>4</b>
<b>General</b>	1	4	1	1	<b>7</b>
<b>Total</b>	<b>3</b>	<b>5</b>	<b>4</b>	<b>2</b>	<b>14</b>

The table above classifies our respondents based on their type and specific policy-area of expertise. We conducted semi-structured face-to-face interviews with each individual expert (see the full list of individuals in Appendix A). Our questionnaire was based on the study by Kopecký et. al., and focused on assessing the nature and extent of patronage, as well as its motivations and operational mechanisms.<sup>43</sup>

## Main Findings

Our field research resulted in six main findings: (1) politicization of the public administration had already begun under the UN administration; (2) politicization permeates public institutions in Kosovo, both in terms of depth and breadth; (3) patronage works through political interference in the civil service; (4) it is motivated both by reward and control; (5) patronage inhibits social mobility in Kosovo; and (6) patronage in Kosovo is likely to worsen in the future.

### *Finding 1: The Origins of Patronage*

Several expert interviews stated that patronage in the public service dated back to the initial post-war period of UNMIK's administration. While in other cases political patronage may be the result of a particular government's policies, in Kosovo it has resulted from the pervasiveness and persistence of this practice. Over time, it became entrenched in public institutions, with contributions to the practice by all political parties in various governing coalitions.

The issue of patronage in the public service has been emphasized rather openly, even by leading politicians. At least three senior political officials—across the political spectrum—have publicly spoken about the need for reforming the politicized state administration.<sup>44</sup> Similar statements have recurred in public discourse and while there are different nuances, patronage has become part of the political culture. The Minister of Trade said, “I believe that this [(politicization)] is not a process that started with this government, or a past government, but it's been this way since the beginning. The positioning of officials, and MPs, includes all political parties.”<sup>45</sup>

The public administration originally established by the international administration relied heavily on staffing from

Kosovo's main post-war political parties. UNMIK's policy to increase ownership included the recruitment of local co-heads to the international department heads (ministerial equivalents).

UNMIK sought to fill up the spots by drawing staff from the main power-holders, and through recommendations by established political groups—primarily LDK and PDK. Except LDK as the main party at the time, PDK also had to be included as the main party to have come out of the armed struggle.

While these parties had competent individuals among their ranks, this was also part of an UNMIK policy to accommodate the main political leaders.<sup>46</sup> Top and mid-level public service officials would therefore come from the ranks of political parties. While the naming of ministerial-level individuals is political by default, the concern was that the politically-based hiring permeated lower and the professional levels of the civil service.

It is to be expected that a post-war international mission would mainly aim to preserve peace—i.e. sopping off the various leaders contributes to stability. Such a policy of cooptation prioritised stability through a power-sharing arrangement among major power-holders and individual promotion through group membership. However, this came at the expense of supporting democracy and valuing individual merit.

UNMIK regulated the appointment of senior civil servants by setting up the Senior Public Appointment Committee (SPAC). The then SPAC was responsible for appointing and dismissing permanent secretaries (now general secretaries) of ministries and chief executive officers of independent agencies.

Proposed names went through a panel which proposed three candidates for a particular position for consideration by the SPAC. The SPAC comprised of 10 members, including: the Prime Minister, the Minister of Public Administration, two

ministers from non-majority communities, three esteemed citizens and three international members. This mechanism was considered to have adequately provided a check to political discretion during this period.<sup>47</sup>

Despite the safety valve described above, it was under the UNMIK administration that the politicization of the civil service started and, unfortunately, when the precedent for this practice was set. According to an academic, political parties were enabled “to perpetuate their control over given ministries. By controlling hiring and promotion, they perpetuated their party’s control over institutions and ministries.”<sup>48</sup> A former Minister of Public Administration had stated during her term, “The main problems [of the public administration] had to do with what was inherited from the international administration period, when the public administration was unable to challenge negative phenomena, such as politicization, nepotism and other irregularities, that negatively affected progress.”<sup>49</sup>

Apart from UNMIK’s policy, parties themselves were determined to staff their political patrons in public administration positions. Former UN Envoy to Kosovo Kai Eide, who was tasked with reviewing Kosovo governance standards, stated:

The development of new institutions is undermined by a strong tendency among politicians to see themselves as accountable to their political parties rather than to the public they serve. Political parties tend to consider new institutions and the civil service as ‘their’ domains. Appointments are regularly made on the basis of political or clan affiliation rather than competence.<sup>50</sup>

Most initial appointments are believed to have come from the Democratic League of Kosovo (LDK) due to its size, human resources, and it being seen as the party of the middle class and urban areas. Compared to the PDK, the LDK had more access to educated and experienced human resources.<sup>51</sup>

The circumstances of the time were utilized by all parties who had access to staffing in public service institutions. Under supervision, parties did not get to exercise governance; hence the only difference between competing parties was their ability to hand out jobs. Reportedly all parties handed out jobs. A politician interviewed for this study emphasized, “No party should be left out of the blame, even the minority parties have contributed to the politicization of the institutions.”<sup>52</sup>

The international community did everything to prevent violence among Kosovar Albanian political groupings, an additional reason to bring competing groups together. The result was a public administration disproportionately composed of political loyalists, and largely lacking competence and capacity.

Similar to the general situation of Kosovo’s public institutions, in the early post war years, there was “anarchy in enterprises” and “people were employed without any procedure”.<sup>53</sup> The overall impression and several cases indicate that the situation improved up until 2008.

The early post-independence period (early to mid-2008) denoted a new wave of politicisation. Independence saw the creation of new institutions and the transfer of competencies from international to national ownership. The appointment, management and oversight of independent regulatory agencies and publicly owned enterprises (POEs) came under the control of the Kosovo institutions.

The situation has worsened since then. As an expert interviewee outlined, “Things changed in 2008, the newly established government behaved more aggressively.” The new government coveted cementing control over POEs and this trend was no longer restrained by the international community.<sup>54</sup> The International Crisis Group commented in 2008,



progress made in the last three years toward consolidating the civil service is being undone. Partisans of the PDK are replacing technocrats and the previous government's political appointees at the helm of public institutions and companies.<sup>55</sup>

Many of the interviewed experts indicated that patronage is structurally fuelled by the high rate of unemployment. In this climate, the market for public sector jobs then becomes what is termed a monopsony (single buyer syndrome) market,<sup>56</sup> which instigates the type of patronage environment discussed in this paper.

Unemployment is high and the jobs on offer are scarce (few buyers of labour and many sellers). The main employers are the public institutions. Political parties capitalize on this situation to attract talent and loyalty in exchange for the public jobs they are able to offer. The result is a widespread perception that the only means of getting ahead in the public service is to ally with a political party. While this is not seen as the only way of entering or rising through the ranks of the public service, our respondents felt that it would be unlikely to do so without political or personal connections.

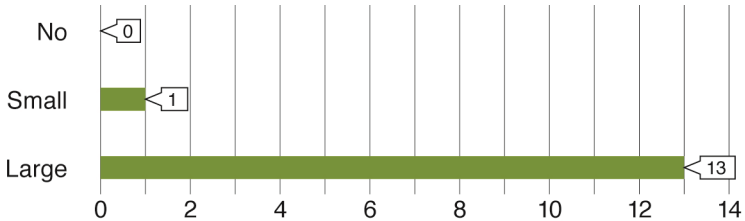
### *Finding 2: A High "Patronage Index"*

The magnitude of political patronage was measured in our questionnaire by asking experts about the depth of patronage—whether it affected top, middle and/or low levels of the civil service—and the breadth of patronage—whether it spread throughout some, most, or all institutions. The results showed that all but one respondent believed that politically-based appointments were made at the top, middle and low level. Additionally, 10 out of 14 respondents identified patronage in all institutions, while three stated it existed in most and only one stated it existed in some.

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### Perception of the role that political parties play in civil service appointment

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The study used the results to calculate an index for Kosovo and compared the score with other European democracies in the aforementioned study by Kopecký et al. The index was calculated from 0 to 1, by calculating the rate of responses of patronage in “all institutions” out of all possible choices in the question of breadth, and “top, middle, and low level” responses out of the possible choices in the question of depth.

A standardized index of patronage was calculated for Kosovo, the same way the Kopecký et al index done for the comparative study. A value of '1 (one)' indicates that patronage logics dictate all state appointments, and a value of '0 (zero)' indicates no politicization of the state. Kosovo's resulting patronage index was 0.928, which ranks it higher than any of the 15 European countries compared, well above the 0.34 average for these countries. The index was calculated based on the median values for the range and depth of patronage. The following is how it was calculated:

$$\text{Breadth: } [(10 \times 3) + (3 \times 2) + (1 \times 1)] / 14 = 2.64$$

(out of a maximum of 3)

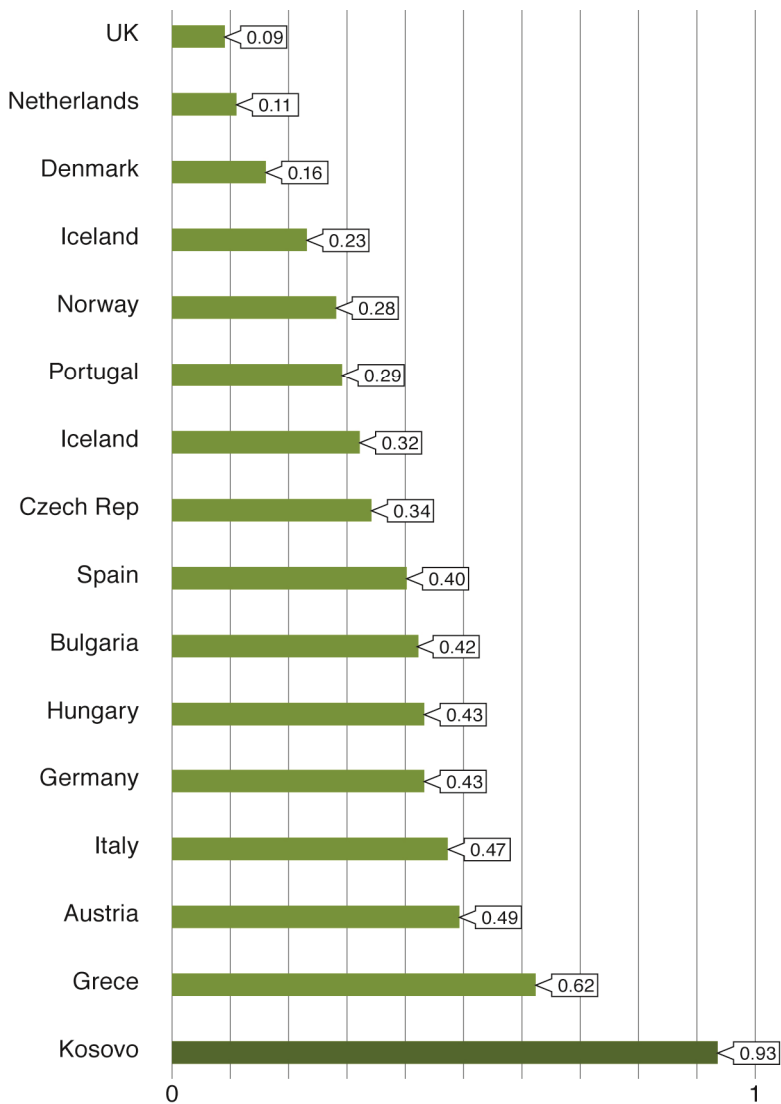
$$\text{Depth: } [(13 \times 3) + (1 \times 2) + (0 \times 1)] / 14 = 2.93$$

(out of a maximum of 3)

$$\text{Patronage Index: } [2.64 + 2.93] / 6 = 0.928$$

### Patronage Index of European Democracies

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A range of findings from interviews were calculated towards arriving at this figure. The factors considered included the role of political parties in the civil service, the motivation for patronage, the nature of civil servant appointments, and the likelihood of appointment of those who do not have political or personal connections.

Patronage in the public service is channelled through the selection of top or mid-level officials based on political or personal motives. In the civil service, a general secretary being selected on political premises usually means that most other appointments throughout the ministry in question will also be influenced politically, from directors and division heads to all other staff further down the ladder.

An example of politicisation of much lower managerial positions was mentioned with the case of the Municipal Education Directorates (MEDs). In any given municipality, a central role of the MED is considered to be appointing school directors from the ranks of the party. In addition, Prishtina University management, professorships and student acceptance depends on networks of patronage, making political connections critical at every level.

### *Finding 3: Patronage is Pervasive*

Political patronage and nepotism, and not academic or professional experience, are behind appointments in the public service. Political patronage is evident across the board, from the central public service to the supposedly independent public enterprises and utility companies. Patronage is basically the rule and not the exception, and much of the public has accepted this as normal. This section presents instructive cases of patronage in the Kosovo civil service.

### ***Ministries and General Secretaries***

The highest echelon of Kosovo's public administration,

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general secretaries, remains highly politicized. As one interviewee outlined:

“Can you find a single case in this country where there is a change in the political structure and the permanent secretary is not changed? They are always changed, even when the same party remains in government. It may be a different clan that changes the permanent secretary.”<sup>57</sup>

Additionally, another academic noted: “100% of Permanent Secretaries I know (i.e. in health, education, agriculture, trade and industry) are political.”<sup>58</sup>

Despite the widespread perception that all secretaries are politicized, a civil servant noted that there were three current general secretaries out of a total of eighteen which had been in office for a period of about six or seven years. This meant that they endured different government administrations and survived political changes.

General Secretaries who served under different administrations (and are supposedly insulated from politics) include those of the Office of the Prime Minister, the Ministry of Local Governance and the Ministry of Social Welfare.<sup>59</sup> These secretaries remained in office even with the change of their ministers or the coalition government. Their continued terms across several administrations may be proof of their political independence, or of ministers who chose not to engage in a political clean-up.

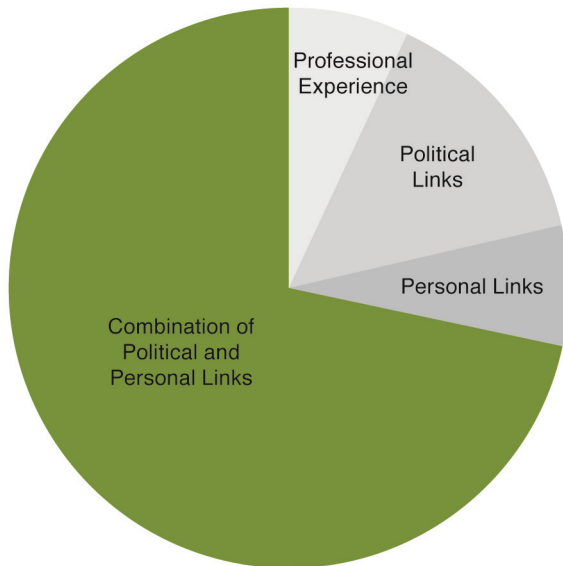
The remaining 15 secretaries (over 83%) seem to have been brought on due to strong political allegiances to their Minister, party or a particular grouping within that party. Such an allegiance primarily lies with the Minister or with the party clan to which the minister belongs. The diagram below indicates that the majority of the questionnaire respondents believe that appointments in the public service were made due to a combination of political and personal allegiances. Some respondents felt appointments were

exclusively politically based while only one believed appointments were made based on professional experience alone.

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### Nature of Appointees

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In the earlier years of Kosovo’s public administration, a new Minister would automatically imply a change of the general secretary. This would also commonly include the sacking of top level managers—directors and division heads—and often even the changes of middle and lower level officials.<sup>60</sup>

All but one of our interviewees emphasized that political appointments permeate all three levels of civil service hierarchy—including even the change of sanitation personnel.<sup>61</sup> Politicization’s pervasiveness is often considered common knowledge and as aforementioned, accepted as a reality by political representatives. Evidence from expert interviews suggests that the issue should not be

disregarded and at the least deserves further inquiry.

In one of the more outright cases of politically-based appointments, a 2006 LDK Minister of Public Administration fired 10 out of 11 department heads, all reportedly replaced by LDK loyalists.<sup>62</sup> These mass firings were said to have included the removal of as much as 150 civil servants.<sup>63</sup> The Ministry of Public Administration (MPA) was considered to have been heavily staffed by PDK loyalists prior to this mandate. After one mandate by LDK, PDK was said to have re-established its control, effectively 'retaking' this ministry.<sup>64</sup> While the practice of dismissing top level public servants was not mentioned by experts as being widespread in the current period; the majority of new hires, in the field of education for example, were still considered to come from a pool of political and personal connections.<sup>65</sup>

### ***Spotlight on Education: the ministry, schools, and higher education***

The Ministry of Education and related institutions at the municipal level illustrate the pervasiveness of politicization. Staffing at the Ministry of Education in particular has depended on whether the Ministry was run by the LDK or the PDK in the more recent period. The majority of the staff of the Ministry is still perceived to be allied to LDK, although it is currently under PDK leadership.<sup>66</sup> This Ministry is a positive case in the sense that current leadership has not embarked on a political clean-up. But in this case it may have come at the expense of its functionality. This last point is an issue of a ministry being led by one party, while being heavily staffed by another. The lack of trust this implies hampers internal cooperation.

The PDK "has not been so ruthless in 'cleansing' its political opponents since its arrival in 2007. Existing civil servants are not systematically fired or demoted because of their

political allegiances. Only one department director was fired.”<sup>67</sup> Such systematic purges received negative media coverage in the past and this could be a reason why parties are more careful now. The lack of major personnel changes does not address the mistrust within ministries with an assortment of civil servant party backgrounds. Administrations often include only certain officials in getting work done (political allies) and may shut out others from policymaking. An interviewee confirmed the special networks for policymaking among party loyalists.<sup>68</sup> Organizational charts effectively change (though not officially) as sensitive tasks are allocated based on staff preferences.

Municipalities receive less scrutiny and oversight than the central level, and at this level “every single job is politicized, and every job in education is reserved to loyal party supporters.”<sup>69</sup> Interference is said to be greater since municipalities are by far the largest employer in their area, and securing votes is very important at this level.<sup>70</sup> The local level plays an important role in patronage particularly because of the importance of elections and securing a particular party’s vote.<sup>71</sup>

The Municipal Education Directorate is in charge of hiring and promotion of municipality education officials. School directors are politically influential for they can recruit teachers to serve as useful vote-gatherers during the election period. For their part, teachers are able to mobilize more votes because of the respect they command in society, and in their community. Political figures are able to become school directors primarily as a reward for their years of party activism. This is also because on Election Day school directors automatically acquire the role of Polling Centre Managers, with the ability to influence the electoral outcome.<sup>72</sup>

It is unlikely, according to the interviewees, to join Kosovo’s



estimated 22,000 teachers without political and personal connections. One way to do so however, especially at the local level, is to actively guard the party's vote and even contribute to voting manipulation.<sup>73</sup> Cases have even been noted of municipal election officials being moved to and employed in central level education institutions, due to a party losing control at the municipal level. After losing a municipal race, a party brings its local cadres to their politically led central institution in Prishtina, as a way to 'rehabilitate' them.<sup>74</sup>

The procedures for appointment, promotion and dismissal of management and faculty at the University of Prishtina are extensively influenced by politics. The same goes holds even for the acceptance of new students each academic year. An interviewee deemed the situation at the University as one of "open academic corruption," stating that "active politicians, ministers, and even journalists, receive PhDs and become professors overnight. Today, professorship at the University of Prishtina has nothing to do with proven merit, it has lost all value."<sup>75</sup>

An esteemed Kosovo intellectual added that certain academic institutions have become branches of political groupings. He mentions that these institutions "have issues with cultural, educational and scientific banditry."<sup>76</sup> Sharp battles for institutional control have been well documented, for example, the LDK is considered to control the Academy of Arts and Sciences, and they accuse the PDK of trying to take over this last bastion.<sup>77</sup> Besides influential cultural institutions, the heavy party influence affects the management of the public university, the academic staff and goes all the way down to menial positions.<sup>78</sup>

Prospective students of the University of Prishtina take mandatory entrance exams in order to get accepted into a particular school or faculty of the University. Every year regular student admission is supplemented with an

additional list of students that do not meet entrance requirements but are admitted through “a direct order from the top.”<sup>79</sup> Education is only one sector, and similar problems can be seen in other sectors, such as with publically owned enterprises.

Clientelism and patronage in the education sector is particularly disheartening. It sets the tone for future generations and teaches youth the wrong skills to push them forward throughout their careers. Unfortunately, in this context these skills relate to utilizing relationships of patronage and nepotism, as opposed to those earned from hard work and perseverance.

### ***Publically Owned Enterprises (POEs): The Case of the Post and Telecom***

While this study has concentrated on appointments in the civil service, political influence in publicly owned enterprises and independent institutions reflects the state’s extension of patronage networks into the economy. Political encroachments by the governing institutions into the Post and Telecom and the Central Bank reveal that public institutions with economic influence are particularly important in the overall discussion of patronage in the public sector.

The starting point for publicly owned enterprises was very similar to that of civil service institutions. It included politicized staffing which largely ignored competency criteria. The management and staffing of enterprises, while initially flawed, began to improve up until the period of their transfer to government stewardship. One interviewee emphasized that the international authorities were “successful in protecting the POEs from political interference, as there were several politicizing attempts.” This included overtures from officials as senior as the President, Prime Minister and Speaker of the Assembly,

attempting to interfere in the recruitment process in 2006-2007.<sup>80</sup>

The international community then suddenly supported a sort of “shock therapy”, by handing immediate control of these enterprises to the Kosovo institutions.<sup>81</sup> Although not the shock intended from the internationals, this approach has increasingly made enterprises a part of a means of “distributing patronage in the form of work”.<sup>82</sup>

In the immediate aftermath of the 1999 conflict, the Post and Telecom of Kosovo (PTK) was the only legal provider of post and telecommunications services in Kosovo. From 2005 to 2008, an average of about 50 people was employed per year,<sup>83</sup> assessed as superfluous and politically motivated. The Kosovo Trust Agency conducted an audit in 2008 which revealed that the PTK was overstaffed by about 400-500 people.

Employment practices in the PTK changed sharply when the government acquired oversight role in June of 2008, as it went from the Kosovo Trust Agency to the Assembly. In a 12 month period following the transfer of oversight, employment in the PTK increased from 2,500 to 3,200.<sup>84</sup> This change in employment practices signified the government’s advance into excessive hiring in the POE sector.

A lucrative public asset which could absorb more staffing proved to be an important source of political influence. According to current staffing figures, today the PTK is likely overstaffed by as much as 1,500, if not more. Appointments were not only significant due to the high number of potential jobs but also because of the placement of PDK supporters in the most senior positions, including that of the CEO.<sup>85</sup>

With double the required staff, PTK has increasingly become *the* political cash cow and may be one of the main

causes that lowered its price ahead of privatisation. The winning bidder in April 2013 offered a quarter of a billion, which is a little less than half of a conservative estimate of the PTK's value in 2010).<sup>86</sup> The procedure and resulting sale price of the PTK was met with great political opposition, and criticism from economic experts.<sup>87</sup>

### ***Independent Institutions: the case of the Central Bank of Kosovo***

The Central Bank of Kosovo is one of 30 independent institutions in the country. These institutions report to the Assembly of Kosovo and are tasked with independently monitoring the work of the executive.<sup>88</sup> The Central Bank is one of the most important, if not *the* most important independent institution. It supervises and regulates financial institutions, administers payment transactions in domestic and foreign currency and ensures a stable market based financial system. More specifically, the CBK “oversees eight commercial banks, 11 insurance companies, five insurance intermediaries, two pension funds, and a number of non-bank financial institutions, microfinance institutions, money transfer and exchange agencies.”<sup>89</sup>

The threat to the bank’s independence became particularly apparent in late 2012 and early 2013 when a political candidate ran for governor. The former Minister of Finance stepped down from his position in late 2012 to pursue the CBK governorship.<sup>90</sup> This caused alarm among the opposition who took issue with his active political background; Bedri Hamza previously served as Minister, Deputy Minister and Deputy Head of the PDK branch in Mitrovica. The opposition also questioned his professional credentials,<sup>91</sup> but in the end he was duly elected.

The authorities repudiated such accusations as mere “prejudice that Hamza can’t think independently”, adding that there is no evidence to prove that Hamza will not

preserve the Bank's independence.<sup>92</sup> Besides running the Central Bank, the Governor is in some ways considered to be the "second most informed person in the country". Such information brings authority and influence within the country but also in cooperation with international financial institutions, such as the IMF.<sup>93</sup>

Hamza was ultimately elected Governor while the two largest opposition parties—the Democratic League of Kosovo and Vetëvendosje—boycotted the election proceedings in Parliament in protest.<sup>94</sup> This case was considered by an expert as "direct political interference within this institution" who added that "all the other institutions have been taken under control".<sup>95</sup> This appointment signifies that political influence is gradually extending to institutions that were insulated from such pressure in the past.

Other than the major clusters delineated above, there are other smaller examples of problematic institutions. The Diplomatic and Consular Service of Kosovo has been problematic since its inception of these institutions in 2008.<sup>96</sup> Many appointments were not meritocratic, and were earmarked for political or personal connections, almost as quotas based on political agreements at the highest level.<sup>97</sup> Candidates have been employed "without any public application process" and then "promoted without a meeting being held by the Commission on Diplomatic Grading."<sup>98</sup> A note of credit to this ministry goes for not having replaced the Ambassadors who were initially appointed as having belonged to the previous coalition partner.

Interviewees mentioned that every single party, even the ones which joined the coalition recently have mirrored their government predecessors.<sup>99</sup> Even the new parties that were never previously in power exhibited the same tendency of employing partisans. As other ministries, and despite a good track record in recruitment of several capable professionals,

the Ministry of Trade and Industry was also cited as having recruited based on nepotism and political influence.<sup>100</sup> At the same time, the Minister of Trade has spoken out rather openly about the problem of politicization in her ministry and in the public administration in general, as aforementioned.

### *Finding 4: Two Faces of Patronage*

Academic literature points to two rationales for patronage: reward and control.<sup>101</sup> State jobs can be used by political parties and politicians to reward voters and party members for their support and loyalty. Parties and politicians may also give jobs in public institutions to loyal clients as means to control public institutions, both in terms of their work and finances.

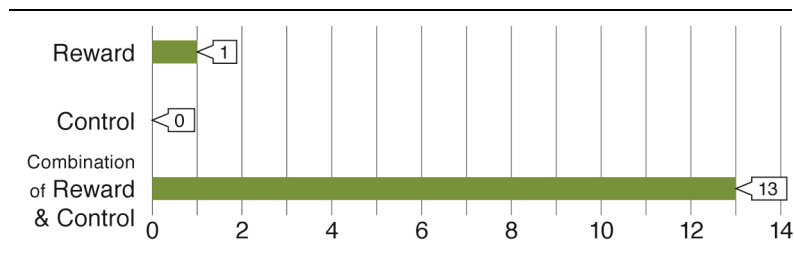
Our expert survey shows that patronage in Kosovo is motivated by a combination of reward and control. Respondents expressed nearly unanimously that political parties used jobs in public institutions as a means to reward individuals for their loyalty and electoral support, as well as a means to control the work and finances of those institutions.

Firstly, experts mentioned that political parties in Kosovo use state jobs as rewards. For example, young activists are often rewarded for their campaigning efforts with entry-level positions in ministries. People from the region of a minister can be given jobs as a reward for their family's vote. An existing civil servant may also be promoted for having proven his or her loyalty to the party. Higher-level positions are also often given to influential politicians who have lost an electoral battle as compensation for their efforts.<sup>102</sup>

The reward may also be found in the perks, prestige, and access to rents a position provides.<sup>103</sup> For example, certain positions provide opportunities to travel and access to per

diem expenses provisions. Other more influential positions give access to bribes and rents, which civil servants can use to supplement their income. Finally, the reward can be found in the prestige associated with a position—as in the case of a professorship at the university.<sup>104</sup>

### Motivation for Patronage



Secondly, patronage is used to control the operations and finances of public institutions in Kosovo. On the one hand, internal cooperation and policy-results are often dependent on ministers having allies in senior management in a context of high politicization of the civil administration. “You need to have political affiliation to get anything done in your ministry because if you do not, nothing will get done,” said one senior civil servant.<sup>105</sup>

Patronage is often used to control the budget of the public institution and the allocation of its tenders. “The key departments that change hands with every new leadership are: procurement, human resources, and financial management,” said a senior ministerial technical adviser.<sup>106</sup> Loyal party members are nearly always placed at their heads in order to better control public finances. “Tenders are given to companies in return for campaign finance and political support,” said a senior civil servant.<sup>107</sup> Tenders are also given to companies on the condition that they pay “10-20%, sometimes up to 50%, of the value of the tender in bribes,” said another.<sup>108</sup>

In Kosovo, control and reward are interlinked in practice. “If you owe your job to the minister, he owns you”, said one senior civil servant.<sup>109</sup> “Parties also control their political staff by keeping information on certain individuals,” added another.<sup>110</sup> On the other hand, you control to reward. If you control policy-making you can reward political allies, through tenders for example.

References can also be the rationale for patronage. An expert from an international organisation mentioned that “the best reference is family or family acquaintance. Hiring someone supported by your friend or family lowers the risk of problems in the future. Better hire the devil you know than the devil you don’t.”<sup>111</sup>

The logic behind the phenomena delineated above explains the multiplier effect for patronage as the opportunities for patronage increase with every new client in a position of power inside public institutions (pyramidal system). Transparency and good governance diminish with increasing patronage, as whistle-blowing becomes rare and as clients have a vested interest in defending their patron’s actions. Overall, there is a strong sense that political parties dominate certain areas of the state and operate within them as their own fiefdoms.

### *Finding 5: Patronage Inhibits Social Mobility*

The public sector holds a disproportionately large share of employment in Kosovo. As such, state institutions have the potential to be powerful vectors for upward social mobility by being meritocratic. Working as a teacher, a doctor, a police officer, or being a civil servant in general can represent a real opportunity for talented and hard-working individuals, especially young people, to have a career, earn a living, and move up the social ladder. Unfortunately, this is rarely the case in Kosovo.



For the state to be a vector of social mobility, selection and promotion must be made according to merit. The politicisation of the civil service excludes meriting candidates and favours those that are already connected and part of the ruling class.

Patronage heavily reduces social mobility in Kosovo. We asked experts to estimate the likelihood that a bright and well-educated university graduate, but without any personal or political connections, would be able to enter and rise through the ranks of a civil service institution based on merit. As the figure below shows, the vast majority of respondents said this was either unlikely or possible. Most respondents felt that it was unlikely for top recent graduates to enter and rise through the ranks of the public service without having political or personal connections “Patronage is killing the will of young people in Kosovo,” said a former Dean of the University of Prishtina, adding that “even foreign-educated young Kosovars that are trying to come back have no opportunities.”<sup>112</sup>

The few who thought it was possible qualified their response by saying that it was only possible in rare cases—for example, when ministries really required a very particular and specialized set of skills and expertise. Only two respondents felt the selection and promotion of civil servants in Kosovo was mostly meritocratic.

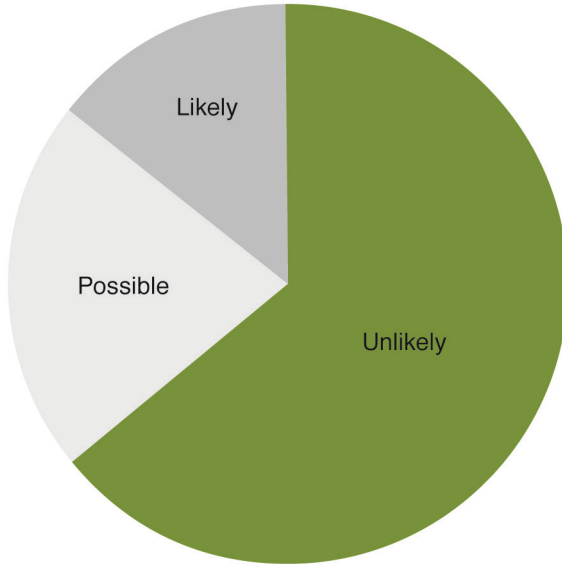
The impact of patronage on social mobility is sometimes mitigated by the fact that politicians need to deliver policy results, and must rely on competent people to do so. As a former technical adviser stated, “Political leaders are beginning to understand the importance of professionalism and to hire based on merit, if they want to actually deliver”.<sup>113</sup> Another former senior civil servant said that “At the end of the day, politicians want to be surrounded by bright people. It looks good to recruit quality people, they are more efficient, and they produce better results.”<sup>114</sup> Such

a trend is yet to take place, but a small number of well-qualified individuals are beginning to be hired based on merit, and they usually bear the brunt of the workload in public institutions.

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**Likelihood to get a job in an institution without connections**

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Nevertheless, clientelism remains a far more effective way to be re-elected in Kosovo today, than to deliver policy-results. Most parties in Kosovo do not pay attention to policy-results and rely on clientelism and militants for re-election. As a result, they only seek to maximize rent-seeking and extend their patronage networks during their mandate.

What's more, as a former technical adviser mentioned, "There are no new jobs in the civil service, and the average age of public servants is also quite young. So it is unlikely that it will provide many new openings in the near future."<sup>115</sup> Social mobility through the civil service is made inherently

difficult by the fact that the service is already saturated. The IMF and World Bank claim the public wage bills needs to be significantly reduced.

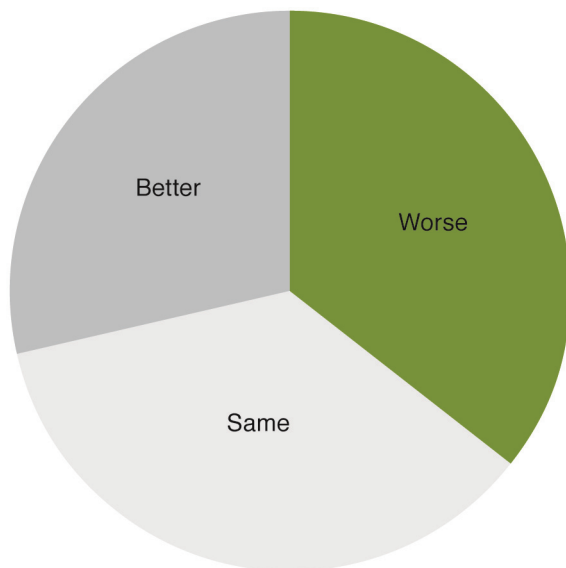
### *Finding 6: Uncertain Future*

The trend is more important than the current situation, and our research attempted to discern whether the phenomenon is getting better or worse over time.

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#### **Trends of Patronage**

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Expert respondents were divided regarding the future outlook of patronage. There are mixed opinions as to whether appointments in the public service have improved (become more meritocratic, less politicized) or worsened. The main sentiment was that there is no change of trend, implying that the public administration continues to remain heavily politicized. All but one expert replied that political

parties currently play a large role in public service appointments.

The list of examples of patronage and politicization is rather extensive, and has been well documented by the media in the past years. We included several very recent examples just before this report was going to print. Media have reported that the sons of major national and municipal leaders scuffled with the police got away with it.<sup>116</sup> Police reports were revised to narrate misdemeanours as minor incidents and to minimise attention.

Public institutions have been reported as having opened their doors for the relatives of politicians. The airport recently hired at least three relatives of officials of various parties.<sup>117</sup> Except a former Minister, a police commander and a mayor managed to employ their relatives in this institution.

The most senior official who oversees civil service is officially a senior party member. A head of a PDK municipal branch and member of the party's Steering Committee at the national level runs the Civil Service Department at the Ministry of Public Administration.<sup>118</sup> This Ministry is responsible to ensure a responsible and independent civil service across the government.

While these examples only begin to discuss the perpetuation of politicization and patronage, it seems clear that the power of political parties is increasing. Several interviewees mentioned a more potent role of political parties both in the civil service and in the University of Prishtina in the current period.<sup>119</sup> “Political parties have become stronger, and their networks now extend everywhere, both horizontally and vertically”.<sup>120</sup> The growing power of parties raises fears that the civil service and other public institutions may fall prey to further usurpation by the political class.

## Conclusion

Academic literature, international organisations, media reports, and our field research all point in the same direction. They conclude that patronage runs high in Kosovo and that it heavily constrains social mobility. Most critically, politicisation prevents well-educated, experienced and capable individuals from accessing the civil service without personal or political connections.

As a syndrome which affects several Balkan countries<sup>121</sup>, it brings a “hierarchy that seeks to evade accountability, coalescence of client-patron networks, and arbitrary hiring and firing practices corrode the ideal of public sector ethos.”<sup>122</sup> That such patronage applies to all institutions and at all levels of these institutions in Kosovo too is illustrated by our research. As a result, Kosovo’s patronage index—which shows the breadth and depth of patronage networks—is the highest compared to 15 other European democracies.

The lack of independency and meritocracy in Kosovo’s public institutions hampers their effectiveness. The breadth and depth of patronage networks, nepotism and clientelism all point to systematic attempts by political parties, both currently and previously in power, to capture state institutions.

Powerful parties and individuals use their position to divert state resources and realize personal and political gains. Politicized civil service appointments are therefore likely to play a part in large and more perverse arrangements.

Social mobility was measured in this study with a proxy of mainly young individuals entering and progressing within the Kosovo public service. This was found to be stifled by the large degree of political influence and nepotism in hiring and promotion in public administration. The result is low social mobility and a limited number of meriting individuals

entering the public service. If this remains so, it will perpetuate the current asymmetries in public service employment and the negative outcomes that come with them.

## Policy Recommendations

The following five policy recommendations are aimed at limiting the spread and influence of patronage in Kosovo. They are addressed to the institutions of Kosovo.

### **1. Continue Reforms and Fully-Implement the Civil Service Law**

The first and most immediate recommendation is to fully implement the Law on the Civil Service, which explicitly sets out formal rules to prevent patronage and protect meritocracy.<sup>123</sup> Through secondary legislation, the Government of Kosovo must in particular (i) guarantee equal opportunity for admission to the civil service, (ii) ensure that the relevant institutions offer open-ended letters of appointment to civil servants who meet the conditions of the Civil Service Law, and (iii) amend the Law on the Independent Oversight Board of the Civil Service in Kosovo (IOBCSK) to provide more punitive measures or related mechanisms to aid implementation and enforcement of the Board's decisions. At the time of this writing, the most recent European Commission report commended the Kosovo government for enacting secondary legislation of laws and salaries on the civil service.<sup>124</sup> Furthermore, the government would benefit from submitting an annual report to the Assembly on the implementation of the Civil Service Law.

### **2. Introduce Meritocratic Entrance Examinations for All Public Institutions**

Introducing standardised entrance examinations in the form of knowledge and competency tests in all public service institutions would reduce subjective factors in selecting civil servants. Similar tests ought to be used for promotion as well. Some ministries (i.e. the foreign ministry) have already introduced such measures. Once evaluated, an improved system should be introduced across the whole civil service.

### **3. Impose Continuous Performance Assessments of Existing Civil Servants**

A systematic assessment of performance should be introduced to promote efficiency and effectiveness. All public institutions should formally assess all high and mid-level civil servants with independent auditors. Performance should be measured objectively and promotions based on clear evidence. This would incentivise productivity and make it easier to weed-out incompetent political appointees.

### **4. Reduce the Number of Civil Servants and Increase Wages**

Reducing the number of civil servants will improve professionalism by putting pressure on the best civil servants to stay on and the most incompetent to leave. It would also allow for higher salaries to incentivise well-qualified civil servants to continue performing well. Within this logic, outsourcing of government activities to private firms may also improve the situation as private sector firms tend to be more meritocratic and could be held more accountable.

### **5. Improve the Training of Civil Servants and Better Utilize KIPA**

The institutions of Kosovo should make renewed attempts to reform the Kosovo Institute for Public Administration (KIPA) and upgrade its offer to administer exams, train and certify public servants at all levels, and ensure that public servants have in-depth knowledge of the law. Individual ministries and institutions should be discouraged from setting up their own training programs, and should concentrate their efforts in improving KIPA. An institution that draws pre-service and in-service students or young people would have the advantage of increasing meritocracy, competency, and introduce an ethos of public service within the public administration. The extra costs associated are



likely to be mitigated by improved public policies and cost-savings in the long-run.

## Appendix A:

#	Name	Organisation / Associations
1	Mr. Abit Hoxha	Kosovar Center for Security Studies (KCSS), PhD Candidate
2	Anonymous	Former Senior Civil Servant, Ministry of Energy
3	Anonymous	Technical Expert, Ministry of Education
4	Mr. Jeton Llapashtica	Journalist, Zëri Newspaper
5	Mr. Dukagjin Pupovci	Director, Kosova Education Center
6	Ms. Lumta Dida	Former Civil Servant, Ministry of Agriculture
7	Mr. Avni Dervishi	Former Senior Adviser to Deputy Prime Minister of Kosovo
8	Mr. Lutfi Haziri	Member of Parliament of Kosovo (LDK)
9	Ms. Myzafere Limani	Professor and Former Dean, University of Prishtina
10	Anonymous	EULEX Senior Official
11	Mr. Afrim Hoti	Legal Adviser to Parliament of Kosovo Professor, University of Prishtina
12	Anonymous	A Ministry's General Secretary
13	Mr. Avni Zogiani	Executive Director, Organization for Democracy and Anti-Corruption (ÇOHU)
14	Anonymous	Former Senior Official at Kosovo Trust Agency

## Endnotes

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<sup>1</sup> Economist. 9 Feb 2013. Social Mobility in America: How to prevent a virtuous meritocracy entrenching itself at the top.

<http://www.economist.com/news/leaders/21571417-how-prevent-virtuous-meritocracy-entrenching-itself-top-repairing-rungs> (last accessed 29 April 2013).

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<sup>3</sup> Maliqi, Shkëlzen. 26 December 2012. Realiteti i arnuar (Patched up reality). Gazeta Express. p. 2.

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Available at:

<http://www.oecd.org/site/sigma/publicationsdocuments/48970710.pdf> (last accessed 7 March 2012), pp. 9.

<sup>5</sup> Organization for Security and Co-operation in Europe Mission in Kosovo. The Implementation of Civil Service Legislation in Kosovo. February 2013. Available at: <http://www.osce.org/kosovo/99606> (last accessed 7 March 2013), p. 18.

<sup>6</sup> Ibid, p. 18.

<sup>7</sup> Ibid, p. 20.

<sup>8</sup> Ibid, p. 20.

<sup>9</sup> Ibid, p. 21.

<sup>10</sup> Ibid, p. 23.

<sup>11</sup> Ibid, p. 25.

<sup>12</sup> This position was formerly known as that of “Permanent Secretary”.

<sup>13</sup> OECD. European Union. SIGMA Assessment Kosovo. May 2011.

Available at:

<http://www.oecd.org/site/sigma/publicationsdocuments/48970710.pdf> (last accessed 7 March 2012), p. 9.

<sup>14</sup> Personal Interview. 5 March 2013. Civil Servant.

<sup>15</sup> Personal Interview. 5 March 2013. Civil Servant.

<sup>16</sup> See Hellman and Kaufmann (2001). Confronting the Challenge of State Capture in Transition Countries. *Finance and Development*, vol. 38, no. 3, p. 1.

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<sup>17</sup> Pesic, Vesna. 14 March 2013. Comments made during the D4D roundtable discussion on State Capture and Social Mobility in Kosovo.

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study, *State Capture and Widespread Corruption in Serbia*, available at: <http://aei.pitt.edu/11664/1/1478.pdf> (last accessed 26 April 2013).

<sup>18</sup> For a general discussion on these phenomena, see:

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Roniger and Günes-Ayata, eds. (1994). *Democracy, Clientelism, and Civil Society*. London: Lynne Rienner.

<sup>19</sup> Kopecký, Mair, and Spirova (2012). *Party Patronage and Party Government in European Democracies*. Oxford: Oxford University Press, p. 8.

<sup>20</sup> For more details on clientelism, see:

Kitschelt and Wilkinson (2007). *Citizens-politician Linkages: An Introduction*. In: Kitschelt and Wilkinson (eds.), *Patrons, Clients, and Policies: Patterns of Democratic Accountability and Political Competition*. Cambridge: Cambridge University Press, p. 1-49.

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Landé, Carl (1983). *Political Clientelism in Political Studies: Retrospect and Prospects*, *International Political Science Review*, vol. 3, p. 435-454.

<sup>21</sup> Muno (2009). *Conceptualizing and Measuring Clientelism. Paper presented at the workshop "Neopatrimonialism in Various World Regions"*, 23 August 2010. GIGA German Institute of Global and Area Studies, Hamburg.

<sup>22</sup> Scott (1969). *Corruption, Machine Politics, and Social Change. American Political Science Review*, 63 (4), p. 1142-1159.

<sup>23</sup> Bearfield (2009). *What is Patronage? A Critical Re-examination. Public Administration Review*, 69 (1), p. 64-76.

<sup>24</sup> Lopreato and Hazelrigg (December 1970). "Intragenerational versus Intergenerational Mobility in Relation to Sociopolitical Attitudes". *Social Forces*, 49(2), p. 200-210.

<sup>25</sup> The first such theoretical model is: Mueller (2009). *Patronage or Meritocracy: Political Institutions and Bureaucratic Efficiency*. Institut d'Anàlisi Econòmica, CSIC.

<sup>26</sup> See:

Grzymala-Busse (2003). *Political Competition and the Politicization of the State in East Central Europe. Comparative Political Studies*, 36 (10), p. 1123-47.

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O'Dwyer (2004). Runaway State Building: How Political Parties Shape States in Post-communist Eastern Europe. *World Politics*, 56 (4), p. 520–53.

O'Dwyer (2006) *Runaway State Building: Patronage Politics and Democratic Development*. Baltimore MD: John Hopkins University Press.

<sup>27</sup> A change of political leadership also incentivises public servants to maintain an independent line even if they were initially hired by a specific party

<sup>28</sup> Kopecky, Mair and Spirova (2012), p. 7.

<sup>29</sup> Grzymala-Busse (2003).

<sup>30</sup> Muller (2006). *Party Patronage and Party Colonization of the State*, in Katz and Crotty (eds.), *Handbook of Party Politics*. London: Sage, p. 189–95.

<sup>31</sup> Hopkin (2006). *Clientelism and Party Politics*. In: Katz and Crotty (eds.), *Handbook of Party Politics*. London: Sage, p. 406–12.

<sup>32</sup> Hellman (1998). Winners take all: The politics of partial reform in postcommunist transitions. *World Politics*, 50(2), p. 203–234.

<sup>33</sup> Grzymala-Busse (2003), p. 1130–31.

<sup>34</sup> Muno (2009).

<sup>35</sup> A seminal work on clientelism is this study on a suburb of Buenos Aires: Auyero (2000). *Poor People's Politics: Peronist Survival Networks & the Legacy of Evita*. London: Duke University Press.

<sup>36</sup> For example, see:

Keefer (2005). Democratization and clientelism: Why are young democracies badly governed? *World Bank Policy Research Working Paper no 3594*.

Manow (2006). Parliamentary Elections and Party Patronage: an empirical study of the German top ministerial bureaucracy at the federal and state level, 1957–2005. *Paper prepared for the workshop on Political Parties and Patronage, ECPR Joint Sessions of Workshops, Nicosia, 25–30 April 2006*.

<sup>37</sup> For example, see:

Brusco, Nazareno, and Stokes (2004). Vote Buying in Argentina. *Latin American Research Review*, 39 (2), p. 66–88.

<sup>38</sup> Kopecky, Mair and Spirova (2012), p. 28.

<sup>39</sup> Dexter (1970). *Elite and Specialized Interviewing*. Evanston, IL: Northwestern University Press, p. 125.

<sup>40</sup> Dexter (1970), p. 119–38.

<sup>41</sup> Kopecky, Mair and Spirova (2012), p.18.

<sup>42</sup> Kopecky, Mair and Spirova (2012), p. 20.

<sup>43</sup> While all interviewees are included in a list on Appendix 1, they are only cited within the text according to their respondent category.

<sup>44</sup> Haziri, Lutfi. 16 October 2012. Speech at Tuesday Salon organized by the Democracy for Development Institute. Tuesday Salon. "Lutfi Haziri at the Tuesday Salon". Available at:

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March 2012); Telegrafi.com. Kusari: State Administration is Politicized (Kusari: Administrata shtetërore e politizuar). Available at:

[http://www.telegrafi.com/?id=2&a=29562&utm\\_source=twitterfeed&utm\\_medium=twitter](http://www.telegrafi.com/?id=2&a=29562&utm_source=twitterfeed&utm_medium=twitter) (last accessed 6 March 2012).

<sup>45</sup> Krasniqi, Besnik. Koha Ditore. 23 March 2013. PDK-ja mban të politizuar administratën shtetërore (The PDK is keeping the state administration politicized).

<sup>46</sup> Personal Interview. 28 February 2013. Civil Society Academic; Personal Interview. 26 February 2013. Technical Expert/Academic; Personal Interview. 4 March 2013 Academic.

<sup>47</sup> Doli, Dren, Fisnik Korenica and Artan Rogova. The post-independence civil service in Kosovo: A message of politicization. *International Review of Administrative Sciences*. 2012. 665:691, pp. 674-678.

<sup>48</sup> Personal Interview. 28 February 2013. Civil Society Academic.

<sup>49</sup> Arapi, Rajan. Zhurnal. 17 May 2010. Intervistë me Ministren e Administratës Publike, Edita Tahiri (Interview with the Minister of Public Administration, Edita Tahiri). Available at:

<http://www.zhurnal.mk/content/?id=17510192333> (last accessed 26 April 2013).

<sup>50</sup> Briscoe, Ivan and Price, Megan. May 2011. Netherlands Institute of International Relations 'Clingendael'. Kosovo's new map of power: governance and crime in the wake of independence. p. 29.

<sup>51</sup> Personal Interview. 26 February 2013. Technical Expert/Academic.

<sup>52</sup> Personal Interview. 1 March 2013. Politician.

<sup>53</sup> Personal Interview. 6 March 2013. Technical Expert/Academic.

<sup>54</sup> Personal Interview. 6 March 2013. Technical Expert/Academic.

<sup>55</sup> International Crisis Group. Europe Report N°196. Kosovo's Fragile Transition. 25 September 2008. Available at:

[http://www.crisisgroup.org/~media/Files/europe/196\\_kosovos\\_fragile\\_transition.pdf](http://www.crisisgroup.org/~/media/Files/europe/196_kosovos_fragile_transition.pdf) (last accessed 8 March 2013), p. 20.

- <sup>56</sup> A monopsony market is one that is characterized by few buyers and many sellers. Alternatively, the more common monopoly market is one with few sellers and many buyers.
- <sup>57</sup> Personal Interview. 28 February 2013. Technical Expert/Academic.
- <sup>58</sup> Personal Interview. 28 February 2013. Civil Society Academic.
- <sup>59</sup> Personal Interview. 05 March 2013. Civil Servant.
- <sup>60</sup> Personal Interview. 28 February 2013. Civil Society Academic.
- <sup>61</sup> Personal Interview. 28 February 2013. Technical Expert/Academic.
- <sup>62</sup> Personal Interview. 28 February 2013. Civil Society Academic.
- <sup>63</sup> Personal Interview. 26 February 2013. Technical Expert/Academic.
- <sup>64</sup> Personal Interview. 1 March 2013. Politician.
- <sup>65</sup> Personal Interview. 28 February 2013. Civil Society Academic.
- <sup>66</sup> Personal Interview. 28 February 2013. Technical Expert/Academic.
- <sup>67</sup> Personal Interview. 28 February 2013. Civil Society Academic.
- <sup>68</sup> Personal Interview. 28 February 2013. Technical Expert/Academic.
- <sup>69</sup> Personal Interview. 28 February 2013. Civil Society Academic.
- <sup>70</sup> Personal Interview. 5 March 2013. Civil Servant.
- <sup>71</sup> Personal Interview. 28 February 2013. Technical Expert/Academic.
- <sup>72</sup> Malazogu, Leon and Selatin Kllokoqi. February 2013. Democracy for Development Institute. Lessons Learned for Future Elections: An Analysis of the Mayoral By-Elections in Ferizaj and Kaçanik. Available at: [http://d4d-ks.org/assets/D4D\\_Elections\\_KacanikFerizaj.Eng\\_.pdf](http://d4d-ks.org/assets/D4D_Elections_KacanikFerizaj.Eng_.pdf) (last accessed 26 April 2013, p. 25-26).
- <sup>73</sup> Personal Interview. 28 February 2013. Technical Expert/Academic.
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- <sup>75</sup> Personal Interview. 28 February 2013. Civil Society Academic.
- <sup>76</sup> Demolli, Donjeta. Hiçi Nuk Ka Identitet: Intervistë me autorin Mehmet Kraja (Nothingness Has No Identity: Interview with author Mehmet Kraja). Gazeta Jeta Në Kosovë. 27 February 2013. Available at: <http://gazetajnk.com/?cid=1,964,4820> (last accessed 25 April 2013).
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- <sup>78</sup> Personal Interview. 1 March 2013. Academic.
- <sup>79</sup> Personal Interview. 1 March 2013. Academic.
- <sup>80</sup> Personal Interview. 6 March 2013. Technical Expert/Academic.

<sup>81</sup> Personal Interview. 6 March 2013. Technical Expert/Academic.

<sup>82</sup> Briscoe, Ivan and Price, Megan. "Kosovo's new map of power: governance and crime in the wake of independence". Netherlands Institute of International Relations 'Clingendael'. May 2011, pp. 30.

<sup>83</sup> Ibid, p. 30; Personal Interview. 6 March 2013. Technical Expert/Academic.

<sup>84</sup> Briscoe, Ivan and Price, Megan. May 2011. Netherlands Institute of International Relations 'Clingendael'. Kosovo's new map of power: governance and crime in the wake of independence. p. 30.

<sup>85</sup> Ibid. p. 30.

<sup>86</sup> Demi, Agron. Tribuna. 17 April 2013. Kronologjia e një procesi të dështuar (The chronology of a failed process).

<sup>87</sup> Ademi, Jeton. Tribuna. 13 April 2013. Veç 242 milionë euro për PTK-në (Only 242 million euros for the PTK).

<sup>88</sup> Organization for Security and Co-operation in Europe Mission in Kosovo. The State of Independent Institutions in Kosovo. July 2012. Available at <http://www.osce.org/kosovo/92050?download=true> (last accessed 9 March 2013), p. 6.

<sup>89</sup> International Civilian Office. Economic Regulators in Kosovo: an overview of their state of independence. August 2009. Available at: <http://www.ico-kos.org/d/20091006Regulators%20Report%20-%20FINAL%20-%20English.pdf> (last accessed 9 March 2013), pp. 29-30.

<sup>90</sup> Top Channel. Kosovë, dorëhiqet ministri i financave (Kosovo: Finance Minister resigns). 14 January 2013. Available at: <http://top-channel.tv/artikull.php?id=249559> (last accessed 8 March 2013); Telegrafi. Bedri Hamza, sigurt në postin e guvernatorit? (Bedri Hamza, for sure the governor?) 20 February 2013. Available at: <http://www.telegrafi.com/ekonomi/bedri-hamza-sigurt-ne-postin-e-guvernatoritja-46-13896.html> (last accessed 8 March 2013).

<sup>91</sup> Sejdiu, Dardan. 06 February 2013. Guvernatori: Ose kapja e Bankës Qendrore (The Governor: Or the Capture of the Central Bank). Koha Ditore. <http://www.koha.net/?page=1,9,133945> (last accessed 13 Feb 2013).

<sup>92</sup> Selimi, Petrit. (2013, March 9). CB is independent. There's nothing to prove contrary except a prejudice that Hamza can't think independently. [Twitter post]. Retrieved from <https://twitter.com/Petrit/status/310438780433731585>. A second twitter post on the same day, I think CB is indeed independent. I have no reason, a report or evidence to doubt Hamza will preserve it. [Twitter post]. Retrieved from <https://twitter.com/Petrit/status/310459020580368385>.



- <sup>93</sup> Personal Interview. 06 March 2013. Technical Expert/Academic.
- <sup>94</sup> Koha Ditore. 14 March 2013. Bedri Hamza zgjidhet guvernator pa votat e opozitës (Hamza elected governor without the votes of the opposition). Available at: <http://www.koha.net/?page=1,13,138671> (last accessed 25 March 2013).
- <sup>95</sup> Personal Interview. 6 March 2013. Technical Expert/Academic.
- <sup>96</sup> Personal Interview. 28 February 2013. Journalist; Personal Interview. 01 March 2013. Politician.
- <sup>97</sup> Personal Interview. 1 March 2013. Politician.
- <sup>98</sup> Personal Interview. 28 February 2013. Journalist.
- <sup>99</sup> Personal Interview. 1 March 2013. Politician; Personal Interview. 28 February 2013. Civil Society/Academic.
- <sup>100</sup> Personal Interview. 28 February 2013. Civil Society Academic.
- <sup>101</sup> Kopecký, Mair, and Spirova (2012)
- <sup>102</sup> Personal Interview. 28 February 2013. Civil Society Academic.
- <sup>103</sup> Personal Interview. 27 February 2013. Civil Servant.
- <sup>104</sup> Personal Interview. 28 February 2013. Technical Expert/Academic.
- <sup>105</sup> Personal Interview. 28 February 2013. Technical Expert/Academic.
- <sup>106</sup> Personal Interview. 28 February 2013. Technical Expert/Academic.
- <sup>107</sup> Personal Interview. 28 February 2013. Technical Expert/Academic.
- <sup>108</sup> Personal Interview. 28 February 2013. Technical Expert/Academic.
- <sup>109</sup> Personal Interview. 2 March 2013. Civil Servant.
- <sup>110</sup> Personal Interview. 3 March 2013. Civil Servant.
- <sup>111</sup> Personal Interview. 2 March 2013. International Official.
- <sup>112</sup> Personal Interview. 1 March 2013. Academic.
- <sup>113</sup> Personal Interview. 5 March 2013. Technical Expert/Academic.
- <sup>114</sup> Personal Interview. 27 February 2013. Civil Servant.
- <sup>115</sup> Personal Interview. 28 February 2013. Technical Expert/Academic.
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