

East-Central and Southeast Europe

Democratic consolidation remains elusive

As in previous years, the countries of East-Central and Southeast Europe constitute the BTI's most developed region, by a considerable distance. However, the quality of transformation in the region as a whole is slipping. Particularly noteworthy is the fact that candidates for EU accession have been unable to close the gaps separating them from today's member countries.



In global comparison, the countries of East-Central and Southeast Europe are well along the path of transformation. On a scoring basis, the region leads in all three BTI dimensions, sometimes by a significant amount. This is hardly a surprise. However, the BTI 2012 also clearly describes a problematic development: During the period under review, most East-Central and Southeast European states saw declines in the quality of their democracy, along with corresponding setbacks in market economic institutions and political management performance.

To be sure, all 17 states of this region are democracies. Only five countries demonstrate significant democracy deficits, with the most pronounced problems evident in Bosnia and Herzegovina and Kosovo, the latter of which has been independent since 2008.

However, the region's average political transformation score decreased by a total of 0.16 points compared to the BTI 2010, falling to 8.40 points. The strongest decline in this dimension was registered in Hungary, where Prime Minister Viktor Orbán's government effectively circumvented the country's system of checks and balances. The result was a decline in the country's democracy status score by 0.9 points.

The state of economic development in the region basically remained unchanged during the review period. Indeed, the region's average score of 7.91 obscures what are in fact distinctly varied patterns of transformation. Specific areas of difference include the degree to which each country was affected by the global economic and financial crisis, the depth of integration into inter-

national capital markets, the state of public budgets, the amount of privately held debt and the stability of domestic banking systems. The Baltic states in particular experienced a very substantial economic downturn in 2009. However, these states' governments were able to defend their fixed exchange-rate regimes and improve their competitiveness by means of internal devaluations. Poland was even able to achieve economic growth during the crisis, and Serbia improved the institutional framework for its market economy. A very similar picture emerges with respect to transformation management: The average score fell by 0.12 points, to 6.25, with a particularly marked decline seen in Hungary (-1.05). In contrast, Poland (+0.27) and Lithuania (+0.24) showed respectable management performances.

Moreover, a comparison between the eight East-Central European and the nine Southeast European states is instructive. The development gap between the two groups of nations remains significant, with the East-Central European states retaining a significant lead. This is noteworthy insofar as all Southeast European states are either seeking membership in the European Union or – in the case of Bulgaria and Romania, both of which joined in 2007 – want to deepen this membership. The EU expects countries seeking accession to build stable democratic systems and functioning, competitive market economies, and supports efforts aimed at these ends in a variety of ways. However, candidate countries achieved only minimal progress in the area of market economic reform during the period under review, and

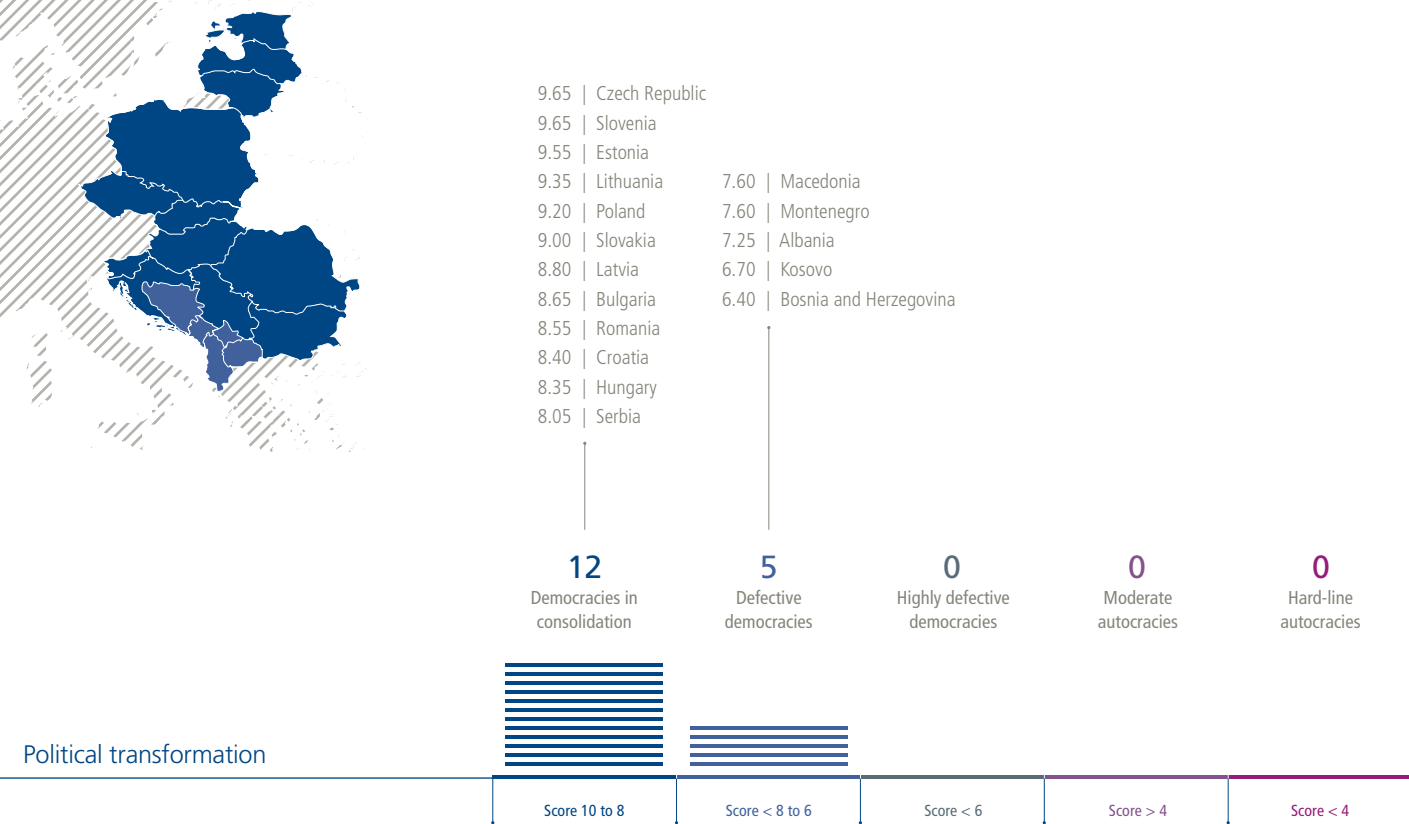
even showed deterioration in terms of democratization and management.

How should these findings be interpreted? Leading political actors (especially in Albania, Bosnia, Kosovo and Macedonia) are struggling to overcome serious structural problems and fend off political opposition, and are apparently less successful than in previous years in unifying and mobilizing their populations behind the prospect of EU accession. Political polarization and patterns of confrontation and conflict have intensified and are increasingly poorly contained simply through appeal to the common goal of EU membership. Presumably, this is related in part to popular doubts as to the viability of membership prospects in some countries, as well as to the fact that concrete EU-related reforms have now be-

gun to be implemented, exposing the true "entrance fee" associated with accession. This has manifested, for example, in the pursuit of high-level political corruption, the elimination of bureaucratic patronage, structural change and the consolidation of state budgets.

In addition, Hungary's example demonstrates that EU membership provides no guarantee against losses in democratic quality. However, the success of the Tusk government in Poland in further consolidating democratic institutions shows that removing the political pressure associated with accession negotiations does not have to lead to negative consequences.





Political transformation

Power targets the media

The quality of democracy has deteriorated in many of the region's countries, with the most notable declines evident in Hungary. A worrisome longer-term trend is also under way: Even in states with well-developed constitutional systems, the media is increasingly a target for those in power.

In the BTI 2012, the Czech Republic and Slovenia are again the region's most stable democracies: The combination of a score of 9.65 points and the two countries' shared second place in the Democracy Status rankings evince a generally high level of development. However, the largest gain relative to the BTI 2010 comes from Poland (+0.20), which this time scored 9.20 points. This is attributable to the fact that President Bronisław Komorowski, who took office in August 2010, and the Civic Platform-led government of Prime Minister Donald Tusk have worked constructively together. In addition, the government has improved its respect for civil rights, and the party system has stabilized. At the other end of the spectrum is Hungary, where the conservative-populist government

led by Prime Minister Viktor Orbán and his League of Young Democrats – Hungarian Civic Union (Fidesz) party, elected in May 2010, used its two-thirds majority to undermine the Constitutional Court's power, bring independent state institutions and social organizations under its control, and restrict media freedom.

The Orbán government's media policy is representative of a near region-wide erosion of media freedom, a tendency that was beginning to be evident even in the BTI 2010. Economic constraints have recently reinforced this trend, but the traditional weakness of civil society has been a more decisive factor, leading to unstable bonds between voters and parties. Many governments have turned to attempts to control media report-

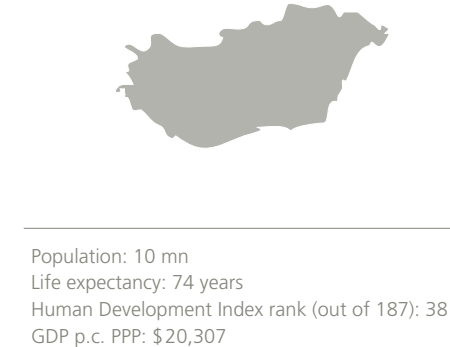
ing as an effective, populist means of "selling" citizens on their de facto often technocratic decisions.

The list of such attempts at control is long: In Albania and Slovakia, ruinous libel trials were initiated against media organizations that deviated from the government line; in January 2011, the Macedonian government froze the bank accounts of anti-government television station A1; in Bosnia, investigative journalists, such as Bakir Hadžiomerović, were threatened; in May 2010, the founder and the managing director of Kosovo's independent Koha Media Group, siblings Veton and Flaka Surroi, were anonymously accused of having worked for the hated Yugoslav secret service; in Latvia, media organizations' new owners dismissed independent journalists.

Strong setbacks are also evident in the area of free and fair elections. The first parliamentary elections in independent Kosovo, in December 2010, were overshadowed by numerous incidents of fraud and manipulation. The same was true for the Bulgarian parliamentary elections, the Bosnian parliamentary and presidential elections, and the Romanian presidential elections, the last of which was the subject of an unsuccessful constitutional complaint by the Romanian Social Democratic Party. In Albania, the Socialist Party boycotted parliamentary sessions for six months as a protest against fraud in the parliamentary elections. And Latvia, despite reaching 11th place (of 128) in the democracy status rankings, still failed to grant citizenship rights to a part of its Russian-speaking minority, thus excluding about 15 percent of the population from participation in elections.

The countries of Southeast Europe, in particular, also continue to demonstrate significant shortcomings with respect to rule of law institutions. The BTI country experts note particular deficits associated with judicial independence. Governments and parties exert influence over the appointment of judges, publicly criticize judicial rulings and allow courts no financial independence. Meanwhile, corrupt judges seek to sabotage initiatives aimed at strengthening the justice system's integrity and professionalism.

Problems with stateness in the region are limited largely to Bosnia and Herzegovina and Kosovo. The Bosnian peace process is being overseen by the Peace Implementation Council, whose membership is drawn from 55 countries and international organizations. The calls for constitutional reform initiated by the United States and the European Union under Sweden's presidency – one of the prerequisites for an end to the country's international supervision – foundered in October 2009 after leading Bosnian politicians proved unable to compromise. This was illustrated by the fact that a constitutional change called for by the European Court of Human Rights had not been implemented by the end of the BTI review period. The court had ruled in 2009



Hungary – A "guided democracy"?

The Hungarian parliamentary elections in April 2010 were the equivalent of a political earthquake. A concentrated discontent swept the conservative-populist Fidesz party to power with a two-thirds majority. Since that time, Prime Minister Viktor Orbán's government has left little doubt as to the character of its "guided democracy" approach. Media organizations were the first to feel the implications of this policy shift. In August 2010, all public media were put under the authority of a broadcasting company led by Fidesz supporters. The new media law as a whole drew attention and protest well beyond the country's borders, and in April 2011, under pressure from the OSCE, EU institutions and EU member states, the government rescinded at least some of the measure's discriminatory provisions.

The country's separation of powers has been weakened with equal determination. After the Constitutional Court declared a retroactive tax

that restricting the right to run for office to members of the country's three major ethnic groups violated the European Convention on Human Rights.

Both before and after the all-Bosnian elections, political representatives of the Bosnian Serb-dominated part of the country, the Republika Srpska, engaged in a campaign supporting a referendum on the issue of independence. Under pressure from the international community, Republika Srpska ultimately elected not to hold the referendum. However, in a 2010 survey, 87 percent of Bosnian Serbs indicated they would support Republika Srpska's secession.

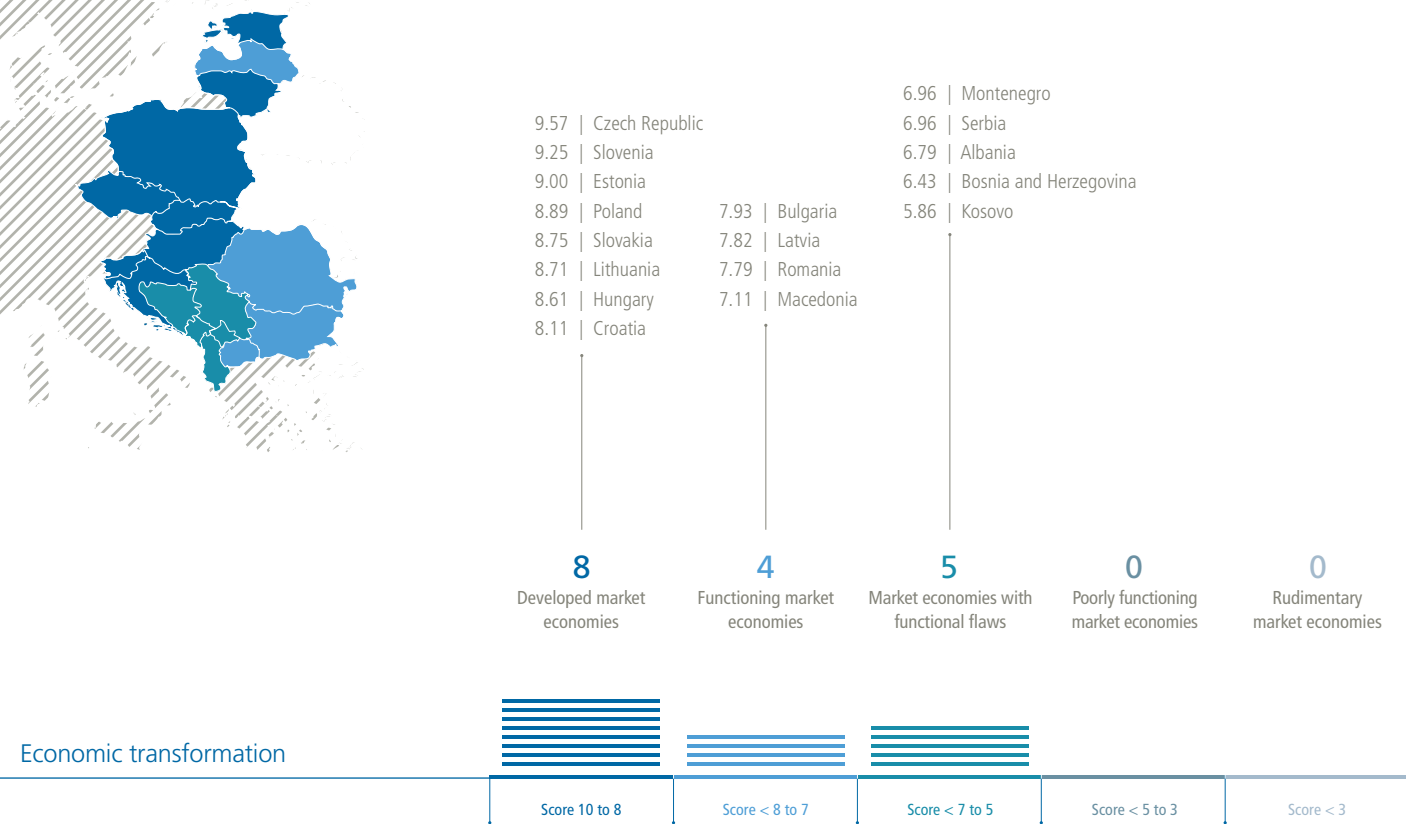
Kosovo's status under international law is still disputed, although in July 2010 the International Court of Justice confirmed the legality of the February 2008 declaration of independence, and the United States and most EU member states have today recognized Kosovo as an independent state. Russia and Serbia continue to reject this status, however. In March 2011, following European mediation, Kosovo and Serbia entered bilateral negotiations and agreed to grant one another's citizens a mutual freedom of travel, among other issues. Nevertheless, the risk of a violent escalation to this conflict remains present, as indicated by the July 2011 clashes on the Kosovo-Serbia border.

Political transformation Hungary



law to be unconstitutional, parliament took away the court's right to review legislation dealing with the state budget, taxes or fees. The new constitution, adopted in April 2011, requires a two-thirds majority for the change of numerous laws. However, according to the BTI country report, the "biggest danger" to democracy in Hungary is the fact that the prosecutor general, a Fidesz party member, has the power to prevent investigations of obvious cases of office abuse.

In 2006, Hungary's democracy status score of 9.40 earned it fourth place among all BTI countries on this measure. Since that time, the country's democratic quality has been subject to continuous setbacks, and its score of 8.35 in the current report represents a decline to 17th place in the democracy status rankings. Hungary must find its way back to a focus on improving democracy and its market economy.



Economic transformation

Little changed by the crisis

Almost all East-Central European economies are developed, while Southeast European economies continue to suffer from what are in some cases serious defects. This fundamental dichotomy was re-confirmed by the BTI 2012. While most of the region's economies weathered the crisis years with only mild setbacks, their dependence on foreign investment makes them vulnerable in the future.

Eight developed market economies, four that are functioning, and five that show functional flaws: The BTI 2012 assigns the economies of East-Central and Southeast Europe to the top three categories within the market economy status dimension in a virtually unchanged manner. The biggest backward step was seen in Latvia, whose decline to 7.82 points (-0.36) made it the only country in East-Central Europe to fall out of the "developed market economy" category. In general, the global economic and financial crisis affected the Baltic states with above-average severity. Thus, Latvia was forced to nationalize the near-insolvent Parex Bank, the country's second-largest commercial bank. However, Latvia, Lithuania and Estonia all successfully defended their euro-tied national currencies,

implemented massive spending cuts and tax increases, and prevented system-wide banking crises – all despite GDP declines of between 14 percent and 18 percent in 2009. In the same year, Estonia even managed to shrink its government budget deficit to 1.7 percent of GDP. This enabled it to join the euro zone on January 1, 2011.

Hungary also experienced economically challenging years. As in Latvia, the government was forced to enter a stand-by agreement with the IMF in order to stave off financial collapse. Despite a reduction in the fiscal deficit to below 5 percent, still-high levels of public and external debt (respectively 80 percent and 140 percent of GDP) pose an ongoing threat to Hungary's financial stability.

Against this background of widespread crisis, it is doubly remarkable that Poland's economy was able to grow even in 2009 – the only such record in the European Union. Poland and Serbia are the only two countries in the East-Central and Southeast Europe region to show an appreciable gain (+0.18 points) in the BTI's economic assessment. To be sure, Serbia's reform successes took place at a comparatively lower level, but were nonetheless notable given the severity of the crisis's local impact. Like three of its Southeast European neighbors, Serbia had to sign a stand-by agreement with the IMF, and the government was subsequently forced to freeze public service salaries and pension payments, and devalue the dinar.

The governments of Bosnia, Kosovo and Romania were spurred to equally drastic measures. Romania shrank social welfare payments and civil service salaries in 2009 and 2010, and laid off 130,000 public employees. In an agreement with the IMF, Bosnia undertook to review disbursements to war veterans and public service salaries, as well as to prepare a pension-system reform; however, it only partially reached associated expenditure goals. In 2010, Kosovo's government failed to achieve a budgetary consolidation that had been agreed upon with the IMF, in part because public-sector salary increases and the construction of a highway from Pristina to Albania led to a substantial rise in government outlays.

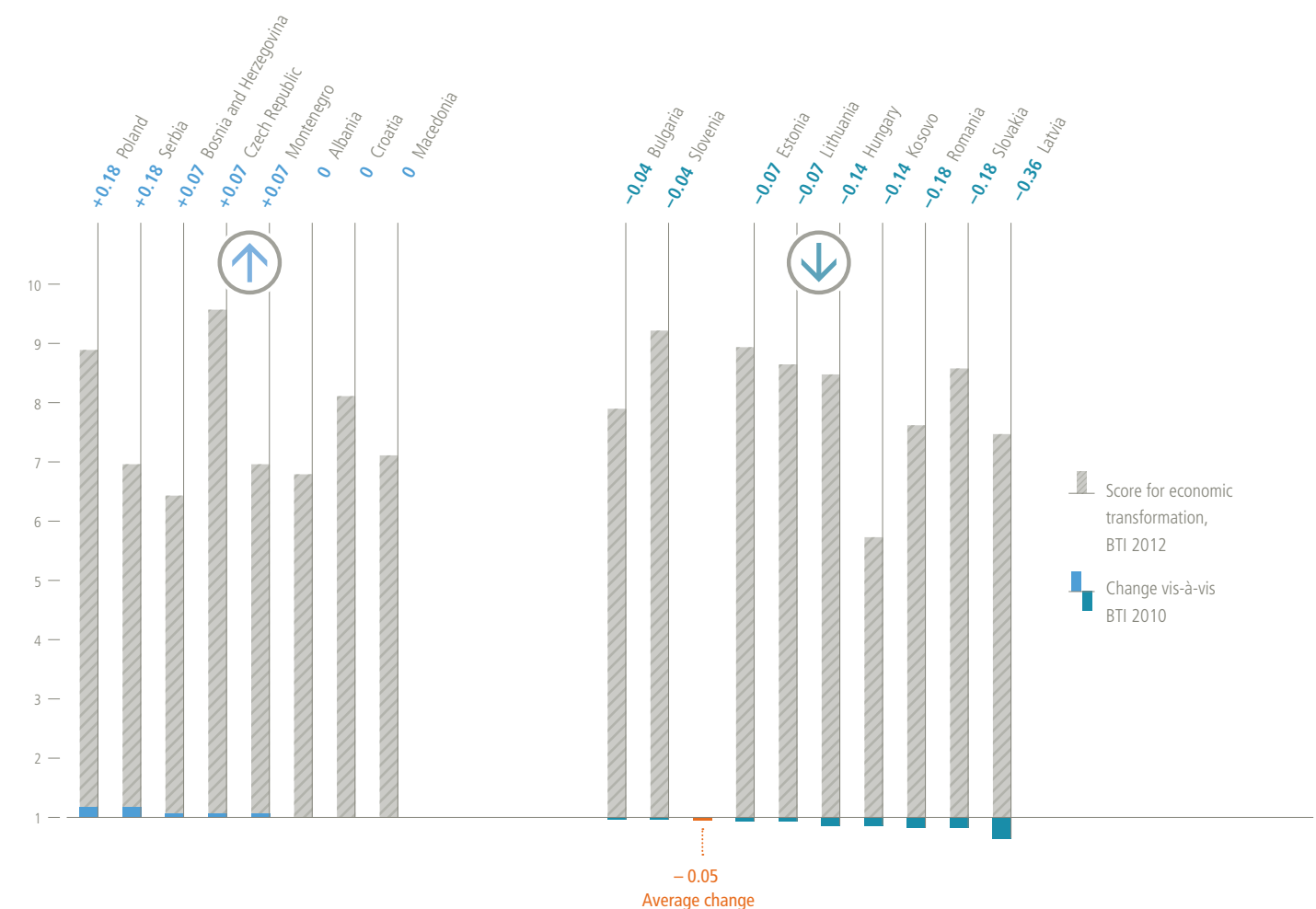
Sustainability and socioeconomic performance represent particular weaknesses

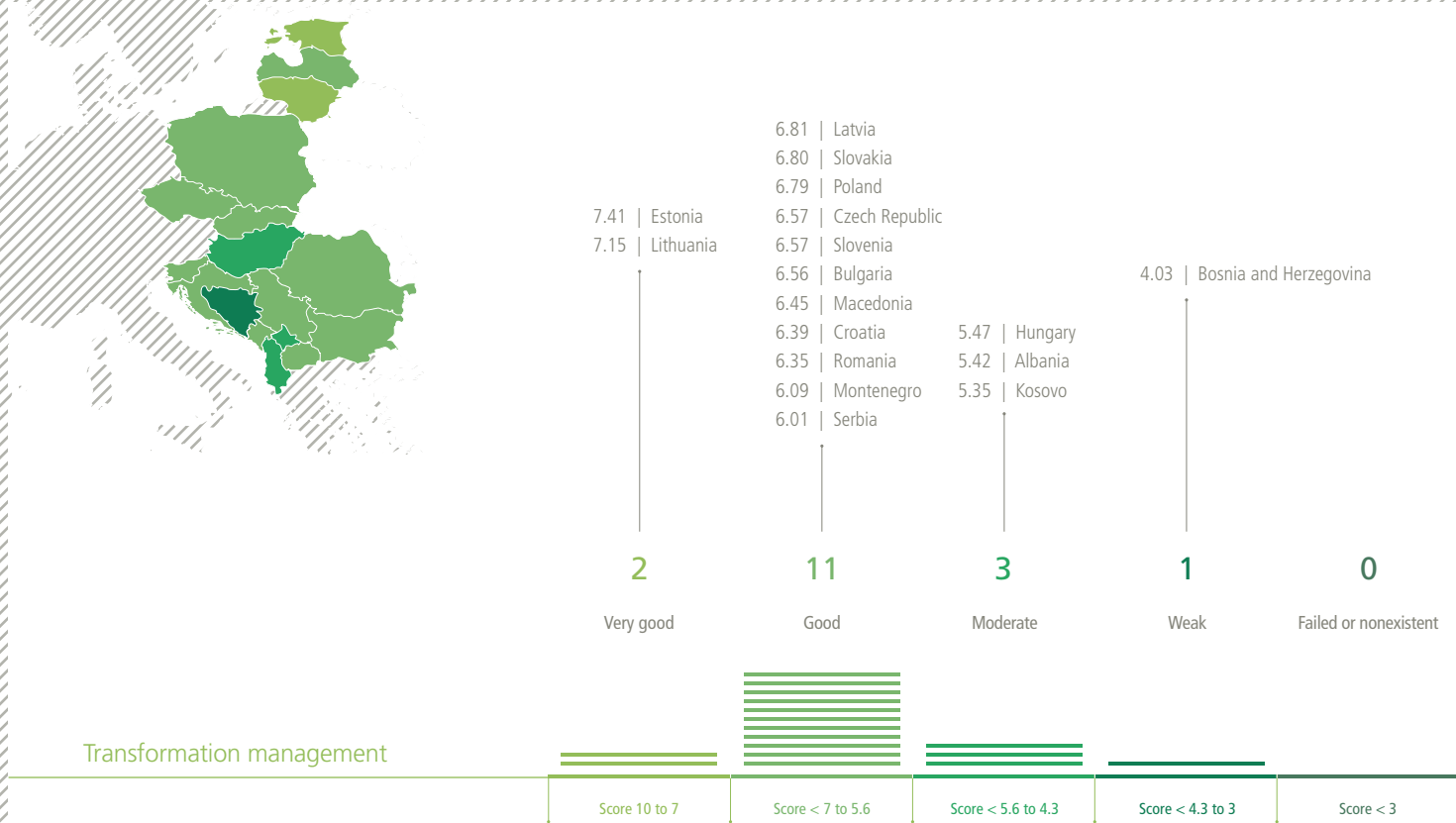
for the countries of Southeast Europe. In Bosnia, Macedonia and Kosovo, unemployment rates rose to as high as 40 percent in 2010. By contrast, the flexibility of labor markets in the Czech Republic and Slovenia, the economic leaders in the BTI's East-Central and Southeast Europe region, enabled these countries to hold unemployment levels to about 7 percent. National disparities in wealth are correspondingly large. According to World Bank data, Slovenia's per capita gross national income (GNI) is more than four times that of Albania's (on a purchasing-power parity basis).

All countries of the region share a heavy dependence on foreign capital. Thus, the ratio of foreign investment to GDP for the 10 new EU member states from East-Central and Southeast Europe plus Croatia (the CEE-

11) was 47 percent in 2008. In comparison, the corresponding ratio in Germany was only 11 percent, according to the World Investment Report 2009. The IMF reported that foreign banks controlled an estimated 58 percent of the region's total assets in this year. The significance of this figure is also best revealed through comparison: In Latin America, during the same year, this share was just 38 percent.

The largest gains and losses in economic transformation for the East-Central and Southeast Europe region





Transformation management

Blocked reform processes

The fight against corruption and attempts to improve the efficiency of resource use remain major challenges in the countries of East-Central and Southeast Europe. However, the stagnation of transformation in the candidates for EU accession is an even greater cause for concern. The prospect of EU membership alone no longer seems to have the power to encourage compromise and overcome obstacles.

As in the BTI 2010, Estonia is the East-Central and Southeast European region's most successful country with respect to transformation management and, like two years before, only a single other country joins it in the highest rating category. This time, the other is Lithuania (+0.24), which, with 7.16 points, replaces Slovakia (-0.23, now 6.80 points) as the region's second-highest scorer within the Management Index. Poland and Latvia have also demonstrated notable successes: Poland's score increase of 0.27 points, to a total of 6.70, reflects both the Tusk government's successful management of the economic crisis and a greater willingness to engage in dialogue with societal actors. Valdis Dombrovski's government in Latvia even managed to improve its popu-

larity despite the implementation of strict austerity measures. Although it cut state spending by 14 percent of GDP, reducing public salaries by more than 30 percent, the Dombrovski's Unity party nearly managed to double its share of parliamentary seats in the October 2010 elections.

Such good examples have become rare, however. Indeed, in examining the individual management performance assessments for the region's 17 countries, the appearance of long-familiar deficits is far more commonly noted. These emerge most clearly in the evaluation of integrity systems, which is indicative of weaknesses in the broader battle against corruption and of a need for greater resource efficiency. However, compared with early 2009, the governments of

the region deteriorated most dramatically in terms of setting and maintaining strategic development priorities.

To be sure, this trend manifested itself with particular force in Hungary, where the Orbán government's policy decisions led to a significant decline in the assessment of the country's transformation quality. Expressed numerically, this decline totaled 1.05 points, bringing Hungary's political management performance to a rating of only "moderate." Even more alarming are the score declines seen in Albania (-0.44) and Bosnia (-0.46), and not only because these countries started from a relatively low level. Rather, these scores are ominous in the context of preparations for EU accession; governments should be acting to facilitate this process,

placing economic and rule of law reforms high on the agenda and then carrying them out. However, these "European prospects" apparently lacked the strength in Albania, Bosnia and other Southeast European countries to drive political compromises and push actors to overcome political obstacles.

Indeed, the convergence process has unquestionably come to a standstill. Even the situation in Croatia testifies to this fact. In June 2011, the European Union concluded its accession negotiations with this country after it and Slovenia agreed to resolve a conflict over their shared Adriatic border through International Court of Justice arbitration. However, the Croatian population's approval of EU membership has fallen to a new low, and Prime Minister Jadranka Kosor's government was plunged into a legitimacy crisis associated with the economic situation and a corruption scandal in her party. In addition, a majority of the population held the government responsible for the fact that a pair of "national heroes," former army generals Ante Gotovina and Mladen Markač, were condemned in April 2011 as war criminals by the International

Criminal Tribunal for the former Yugoslavia (ICTY). Tens of thousands took to the streets to protest against this process, sometimes violently.

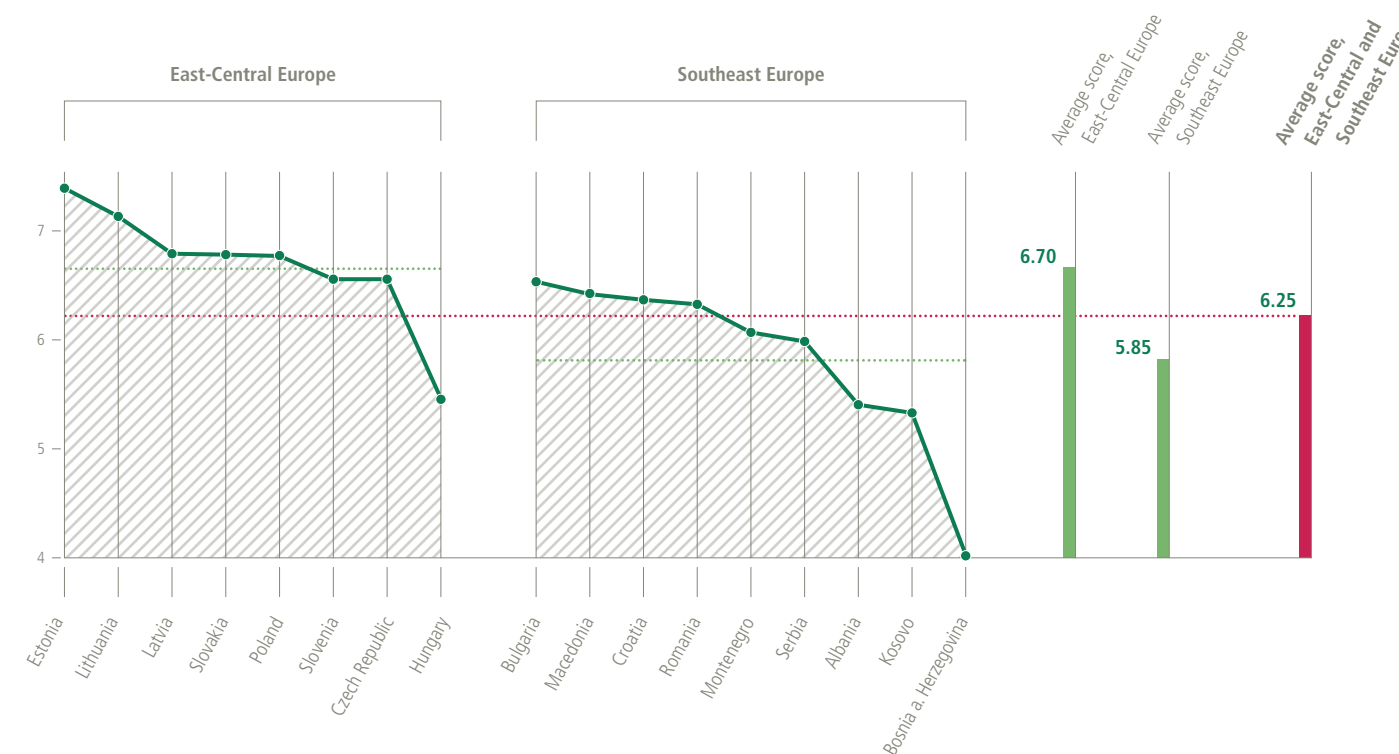
The other EU aspirants remain far from achieving membership. Montenegro was awarded candidate status in December 2010, but its weak rule of law and political control mechanisms, lack of administrative capacity and the macroeconomic vulnerabilities exposed by the economic crisis represent serious obstacles to eventual completion of this path. Albania's Stabilization and Association Agreement with the European Union entered into force in April 2009, although its fragile institutions, domestic political polarization and lagging socioeconomic development may serve to delay further steps toward integration for years to come. In May and July 2011, Serbia arrested Ratko Mladić and Goran Hadžić, respectively the former general chief of staff of the Bosnian Serb army and the president of the self-proclaimed "Republic of Serbian Krajina," and delivered them to the ICTY tribunal. These actions finally helped allay the EU's reservations about the country's Stabilization and

Association Agreement. However, a second precondition was the establishment of good neighborly relations with Kosovo. This may prove difficult to achieve, as members of current President Boris Tadić's party – and certainly his nationalist opponents – are likely to interpret any concession to Pristina as a betrayal.

In Macedonia's case, the EU Commission recommended in October 2009 that accession negotiations be initiated. However, Greece blocked the corresponding European Council decision on the grounds that the name of Macedonia's state implies a territorial claim on the Greek province of the same name – a symbolically important question in Greece's overheated domestic political climate.

For its part, Macedonia's government considers the naming proposals acceptable to Greece as demeaning. It has responded with a lawsuit against Greece's blockade of its NATO membership, and made pointed reference to controversy-laden historical icons, such as Alexander the Great. The European Union has to date proved unable to resolve the conflict.

Disparities in transformation management between East-Central and Southeast Europe





Things remain tight

Two factors will determine the future of East-Central and Southeast Europe: first, the political disenchantment of a demobilized civil society and, second, the narrow scope for action left to policymakers.

The images are barely more than 20 years old and, yet, in many of the countries of East-Central and Southeast Europe, little jubilation over their hard-won democratic freedom remains. In this region's late-modernizing societies, civil society is not yet well established and remains difficult to mobilize. Surveys consistently show a lack of trust in political institutions. These problematic findings coincide with contrasts between the generations: Democratization, structural economic change and the cultural influence of the West offer the young new opportunities for social mobility. Correspondingly large is the distance between urban and rural, "modern" and "traditional" outlooks.

As a consequence of civil society's weak development and comparatively poor organization, large portions of the electorate lack ties to any particular political party and, instead, evaluate government parties on the basis of visible results. If their expectations go unfulfilled, voters immediately withdraw their support, choosing a new party or declining to participate in elections altogether. Newly formed parties are thus able to win parliamentary representation relatively easily, enabling populist parties – such as Fidesz in Hungary, the party of the Kaczynski twins in Poland (PiS), Robert Fico's SMER party in Slovakia or Bulgarian Prime Minister Boyko Borisov's GERB party – to displace traditional centrist parties.

Continuing disparities in wealth between the region's countries and Western Europe have further strengthened popular disenchantment with politics. Joining the European Union did not – as hoped and, in many cases, promised – lead to quick gains in wealth, and the economic crisis subsequently proved a shock to the Eastern European model of externally dependent growth. Consequently, many citizens are today dissatisfied with democratic systems' inability to deliver socioeconomic progress.

Because governments are confronted with high proportions of swing voters and widespread distrust, they are particularly dependent on the media to communicate their policies and elicit consent. This dependence can at least partially explain one of the BTI 2012's findings: Even in those democracies deemed nearly consolidated, governments tend to influence the political orientation of public and private media organizations in a self-interested manner.

Yet this struggle over communicative leadership underscores a relative lack of power: EU membership in fact limited the scope of political action available to governments and parliaments, a fact true even of candidate countries thanks to their gradual adoption of EU law. In order to join, states are forced to fulfill the EU's standards and expectations. In order to increase their influence as a member, they must form coalitions and make compromises with other EU states. But the countries of East-Central and Southeast Europe are often too small and financially weak for this.

Furthermore, the euro-zone fiscal-policy monitoring mechanisms – another set of constraints that also affects candidate countries – will significantly narrow the scope of action in coming years. States with relatively high levels of social expenditure, or whose social welfare services are based on legal claims to benefits, will be particularly hard pressed. The rapid introduction of a flat-rate income tax in many of the region's countries has demonstrated how thoroughly governments see themselves as competing for foreign investors, who in turn play a disproportionately large role in the region's economic life. The global financial and economic crisis revealed just how deeply many countries depend on foreign capital. And even as the crisis wanes, the international financial markets will be monitoring the financial stability of states and state budgets more closely than ever. With increasingly little scope for genuine flexibility, many of the region's politicians swing between populist promises and the implementation of technocratic policy.

Under these conditions, education and research policy takes on a strategic importance. These activities offer the relatively small states of East-Central and Southeast Europe their most promising opportunity to influence their future position within the global economic division of labor. However, the BTI 2012 also shows that most states have not yet devoted themselves sufficiently to the creation of sustainable, strategically elaborated plans for the future.

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Interview

“Europe remains our paramount objective”

Albania's political crisis after the 2009 elections stalled EU-related reforms – Blerta Selenica hopes the crisis is over

Despite highly adverse conditions, Albania's BTI scores improved steadily from 2006 to 2010. This is not the case for the BTI 2012; transformation management in particular suffered, falling 0.44 points from 2010. Has Albania's political class failed the country?

In 2011, the government worked to address the recommendations of the EU Commission's 2010 Opinion. But the partial boycott of parliament by the opposition suspended important EU-related reforms. Important pieces of legislation are still awaiting adoption or finalization. For example, the public administration reform, which was a key priority of the Opinion, including amendments to the civil service law, was not completed. The climate of mistrust between the government and the opposition prevented Albania from fulfilling the political criteria for EU membership. Consequently, Albania did not receive candidate country status.

The 2009 elections, which were subject to unusually sharp criticism by the OSCE, are widely considered to have been a catalyst for the violent protests that followed and in which four people were killed. The socialist opposition boycotted the parliament for six months following the election. What lessons should be drawn from this?

These elections were an improvement, despite some deficiencies. The electoral code was amended and a new regional and proportional system was introduced. Two other important developments include the voter registration and identification processes. For the first time, voters' lists were extracted from the computerized National Civil Status Register rather than from paper records. ID cards were issued to eligible voters; their distribution was generally successful and allowed a solid system of voter identification to be established. The new gender quotas increased the number of women elected as MPs, despite the weaknesses noted in the formulation of the legal provisions. These substantial improvements were undermined by political parties' actions. In the wake of these distressing events, it is very important that political dialog, especially that regarding the effectiveness of democratic institutions, be collaborative. In order to meet OSCE commitments and the Council of Europe standard for democratic elections, a new electoral reform is needed. Thorbjørn Jagland, the Secretary General of the Council of Europe, asked for an opinion of the Venice Commission regarding the necessary amendments needed in existing Albanian electoral legislation and practice.

The opposition ended their boycott in September in the name of “national duty.” Is this the end of the crisis or just an intermission?

I do believe that this is the end – and a turning point in the domestic political scene. I am really looking forward to the compromise toward the laws with the three-fifths majority and parliament's appointments of some high officials. One of the packages of such laws will directly affect my daily work and EU processes. Also, administrative and judicial reforms involve four laws waiting to be adopted: a civil service law, an administrative justice law, amendments to the code of administrative procedure and the law on the organization and operation of public administration.

The prospect of EU accession was once a major driver of reform. Like elsewhere in Southeast Europe, this has lost traction in Albania. Is the idea of Europe no longer attractive?

Joining the EU remains Albania's paramount objective. The truth is that the domestic political climate delayed most of the required reforms. Some minor interests won out over the proper prioritization of the EU's integration agenda, and here I am referring especially to the non-collaborative approach pursued by the opposition parties. It seems that after the last EU Report, there are new developments and some form of dialogue is taking place between the opposition parties and the governing coalition. However, despite some form of skepticism that has driven the opposition's proposed “integration pact – 10 points,” EU accession is still seen as a possible starting point of dialogue between parties.

Albania, like many other countries, faces a serious problem with corruption. Allegations in Albania reach as high as the vice prime minister. According to the BTI 2012, the rule of law has suffered considerably in Albania, where the separation of powers is fragile and the judiciary the weakest branch. You have experience as a lawyer. How is corruption most effectively battled?

Corruption remains a persistent problem in Albania. Despite some improvements, Albania continues to rank last in the region in terms of corruption. Anti-corruption domestic legislation is in line with international standards. The government has taken several anti-corruption measures within the framework of the intersectoral strategy for the prevention and fight against corruption and for transparent governance (2008–2013). Fighting the “abuse of power for private gain” in public administration is a continuous challenge.

 This summary is based on the East-Central and Southeast Europe regional report by Martin Brusis, available at www.bti-project.org/ecse

 Full reports for each country in the region available at www.bti-project.org/countryreports/ecse

