

Statement by Hari Kostov, Manager of "Komerrijalna Banka"

"The state is only one of the elements in fighting against the corruption and crime. The other one is support from the civil society and its involvement in prevention of the corruption and crime," said the future Minister of Interior in his video presentation.

Ladies and gentlemen

Allow me to express my gratitude to the organizers of the NGO Fair- Forum of civil society in Macedonia who gave me opportunity to present my experiences and attitudes in the fight against greatest evil of the society, the corruption. I am very sorry that I am not able to be present in person on this important forum because of my latest engagement as General Director of "Komerrijalna Banka" [Commercial Bank] AD Skopje, that is, today's meeting of the executive board of the bank before tomorrow's meeting of the Parliament for electing of the new Government. Now, let me explain my vision for efficient prevention of corruption.

Corruption is inevitable category in every society, developed and undeveloped, rich and poor. Its consequences can be seen in every country, regardless its economic development, political

and social system and other social factors which influence the corruption in every single country with various intensity. Yet, effects of the corruption have no limits, and they reflect in greater extend on the development countries and economies of the countries in transition for many reasons. The most important reasons are: malfunctioning of the law, economic and politic institutions. Republic of Macedonia has the sindrom of society corruption in all the spheres of living, so called "system corruption," which really jeopardize the survival of the country and that country is in a great danger to be ruled by the oligarchy. It will be great mistake to believe that only change of the Government without practical application, without complete mutual concordance of national strategy and without practical measures, will be the solution for the problem, because the corruption in Republic of Macedonia is transformed in a system of governing and gaining personal profit which is based on the following: disregarding of the moral goal for conflict of interests and parliamentary representatives performing many functions which are not related according to law, as well as employing the close kinsmen in the sectors governed by their brothers, sisters and parents. Keeping and abusing of discreet authority of the Government for the concessions, allowances for export and import, contingents, selling of the public property and public companies which are not transparent. In addition, guaranteed monopoly status, tax-free monopoly income of the private companies, and creating destructive climate for the market economy at all. In addition, the public expenses which make country the greatest spender, buyer, and most liable payer of the products and services and not giving appropriate protection in the court of law. The police, the prosecution, the administration of justice are paralyzed in their functioning against organized crime and corruption in which are persons of the government. There is also a delaying in passing the laws for prevention of corruption from the parliamentary representatives while they are in charge. The public should be able to have an inspection into property of the public representatives before and after they gain their function, and there should be independent national commission for prevention of the corruption to which citizens can address their complaints and evidences on the corruption. Of the great importance will be the passing regulations and moral codex for behavior of the state and political officials about receiving gifts, donations, etc., like specific and very extended type of corruption. According to this Republic of Macedonia is facing with huge redirecting of funds from the public sector into private and political parties funds trough mechanism of corruption. Evaluations show that almost 10% of the whole production of our country is lost because of the corruption. The most endangered ones from the corruption are public budget, public funds, especially Health Found and property of the public companies. Although part of the corruption is due to the lack of existence of system for controlling and spending of the public funds, the most responsible for higher percentage of the corruption are government officials and the Government in general. Rapid extension of the corruption in the last four years contributed for loosing sense for its extension and ethical values and criteria for living together. That is why citizens get used to the corruption. Public administration thinks that it should gain bigger salary for its functioning. Even the businesspersons think that it was better to cooperate with the previous Government, not because the quality and price of the products, but for the money that should be paid to succeed. That is the reason why the fight against corruption will be tough and must begin from the education process of teaching our youth generation on the real codex of behavior. Other country's experiences shows that in fight against corruption and crime setting law regulation may not be enough. In fact, there a lot of countries which have made radical reforms in normative and economic sphere, but without concrete results. The reasons for this can be found in the fact that reforms were not conveyed, there was nobody to convey them and

there was a lack of will for their conveying. There is a great need of extraordinary politic will and independent institutions for conveying of the law and the real normative solutions. Even under inappropriate economic and social conditions, such are very low paid public administration which is the pillar for conveying of the normative solutions, there is a possibility for implementation of the law regulation, if the administration and responsible officials for conveying the law will have the enthusiasm provoked from the earnest acts of the new Government, which must be noticed from the public.

The new Government starts the following period of four years with earnest and strong politic will, along with the strategy for preventing of the corruption as the biggest evil in the society. The strategy is based on the best experiences of the modern countries and developing countries containing great changes, both for state officials and efficiency of the mechanisms for Government control. This strategy provides:

Appointing of capable, responsible, and uncorrupted officials in the Government institutions, whose property will be evidenced before and after they will be appointed on their function.

The privileges for politicians will be abolished and their salary will depend on the results of the industrial progress. Receiving gifts will be prohibited, competent, professional and responsible public administration will be provided, the employment of the kinsmen will be prohibited, public ethical codex for the state officials will be established. In addition, functions of the police force and administration of justice in prevention and punishing the corrupted should be strengthened, institutional generators of the corruption in conveying of inappropriate law regulations and unnecessary discretionary rights will be removed, and strengthening of the institutional capacity of the system on a state and local level for fighting against corruption by forming of the national anticorruption committee which will not be under the influence of the Government.

The state is only one of the elements in fighting against the corruption and crime. The other one is support from the civil society and its involvement in prevention of the corruption and crime. We cannot blame the NGO and the media because they present the obvious evidences for expend of the corruption and suggestions for its decreasing and elimination. Joined NGO is very important in support of passing the laws. Everybody should be equal in the court of law, regardless social and economic status. All the political parties together with the civil society and international community should do their best in the fight against corruption for its elimination. The fight against corruption will not be easy. I am aware of the reality, but an optimist in the same time that only with integration of the international organizations, of the Government, of the media and NGO together with the people we will manage to decrease the corruption.