

As EU Membership Looms, So Do Troubling Questions

By ICIJ/CIN

Montenegrins may have been surprised late last year to learn that the global financial crisis had arrived in their tiny Balkan country. Newspapers, the Internet, and even a James Bond film painted Montenegro as the Monte Carlo of Eastern Europe. The nation's mountainous, tree-lined coast, medieval walled cities, and stone ruins set the scene for a boom in luxury hotels and private villas.



Global Montenegro, a tourism firm co-founded by Milo Đukanović, owns land in Budva, one of the country's rapidly developing coastal towns. Credit: Bratislav Taboš

In December, the administration of Prime Minister Milo Đukanović announced that Montenegro would bail out First Bank (Prva banka), one of the country's largest financial institutions and a major investor in the Montenegrin boom. First Bank is majority owned by Đukanović, two siblings, and a close friend.

Members of local watchdog groups, opposition parties, and journalists say this is just another example of the government's interests aligning with the financial interests of the first family. They say their small country — fewer than 700,000 people in less space than the U.S. state of Connecticut — seems at times like the private corporation of the prime minister and his family. With Đukanović's political party handily winning elections at the end of March, the prime minister is expected to remain in power for another two years.

"Montenegro is a lawless country," charges Milka Tadić, editor of the country's influential Monitor magazine. "And if you are part of the government or close to its circles you can do whatever you want."







Introducing Ključević to the "Business" (1999) and
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