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## **Weekly Briefing**

### **Croatia political briefing:**

Illegal Employments in Hrvatske šume?: Text Exchanges between the Former Director and Government Officials Valentino Petrović













# Illegal Employments in Hrvatske šume?: Text Exchanges between the Former Director and Government Officials

#### Summary

This article will discuss the latest corruption scandal that hit Croatia, the one of alleged illegal employments in the state-owned company Hrvatske šume. In late January, the news broke that highly ranked Government officials, among whom are incumbent ministers and Government Spokesperson, were sending text messages to the former director of the company, Krunoslav Jakupčić, to ask him for favors, or vice versa, in form of employing their acquaintances in the company. Of course, everyone involved is denying that they were trying to push for their candidates, only that they were helping along the way.

#### Introduction

In late January Croatian weekly news magazine Nacional reported on the alleged illicit activities concerning the management of the state-owned company Hrvatske šume d.o.o. whose director, Krunoslav Jakupčić, exchanged text messages with highly ranked government officials regarding the employment of their friends and people close to them. Jakupčić, a member of the ruling Croatian Democratic Union (HDZ) since 1994, was already investigated by USKOK (Office for the Suppression of Corruption and Organized Crime) in 2020 for the abuse of office and preferential treatment of the investors in the Krš-Pađene affair, but he refused to step down as the president of the Management Board of the company. In November 2022, he retired after a long career and was succeeded by Nediljko Dujić, a former member of the Croatian Parliament and president of HDZ Šibenik-Knin County Assembly. When it comes to the government officials who communicated with Jakupčić via text messages, the most renowned names are Davor Filipović, Minister of Economy and Sustainable Development; Marija Vučković, Minister of Agriculture; Branko Bačić, Minister of Construction, Physical Planning and State Property; and Marko Milić, the Government Spokesperson.

#### **Text Exchanges with Marko Milić**

If one attempts to follow the timeline of text exchanges, according to information that were disclosed by Nacional and presented to the Croatian public, Jakupčić contacted Marko Milić in September 2018 and asked him to enquire with his boss (literal translation of the Croatian phrase *šef*, here referring to the Prime Minister) about the potential employment of a person named Branko Filipeti in Hrvatske šume. As reported by the regional newspaper magazine, Slobodna Dalmacija, Filipeti was employed 25 days later as an intern in the Department for Hunting in the Split area, while in 2020 he got a permanent contract<sup>1</sup>. In September 2019, however, Milić texted Jakupčić by sending him a simple text with the name "Niko Dujmović", to which Jakupčić responded affirmatively saying that Dujmović will work on a fixed-term contract for a year, after which he will be given a permanent contract. Milić responded by thanking Jakupčić, addressing him by a short version of his first name, Kruno<sup>2</sup>. When asked to comment on this matter, Milić said: "...this in another [attempt] in a series of inaccurate and misleading articles in which information is presented in such a way to suggest the existence of illegal actions, which do not exist [...] Dujmović is employed in Hrvatske šume, in accordance with the procedure and public call from July 2018. Therefore, the employment took place more than a year before the aforementioned correspondence..."3.

#### Other Government Officials Included in the Correspondence

When it comes to other Government officials whose names went to newspaper headlines after the scandal became public, the situation is the following. Minister of Agriculture Marija Vučković denied that she ever asked Jakupčić for any favors that may lead to unlawful employments in Hrvatske šume and she further underlined that no one whose name appeared in text messages she exchanged with Jakupčić was employed during her tenure in the Government; only that she was asked to enquire with Jakupčić, on one occasion, whether a

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<sup>&</sup>lt;sup>1</sup> Turić, Dijana. 2023. Makarski lovac dobio je posao u trenu nakon što je šef Hrvatskih šuma nazvao Plenkovićeva suradnika, evo tko je on. Slobodna Dalmacija

https://slobodnadalmacija.hr/dalmacija/obala/makarski-lovac-dobio-je-posao-u-trenu-nakon-sto-je-sef-hrvatskih-suma-nazvao-plenkoviceva-suradnika-evo-tko-je-on-1261782.

<sup>&</sup>lt;sup>2</sup> Index.hr. 2023. Objavljeno kako glasnogovornik vlade od šefa Hrvatskih šuma traži uhljebljivanje <a href="https://www.index.hr/vijesti/clanak/nacional-glasnogovornik-vlade-i-sef-hrvatskih-suma-dogovaraju-uhljebljivanje/2433899.aspx">https://www.index.hr/vijesti/clanak/nacional-glasnogovornik-vlade-i-sef-hrvatskih-suma-dogovaraju-uhljebljivanje/2433899.aspx</a>.

<sup>&</sup>lt;sup>3</sup> Nacional.hr. 2023. Marko Milić ne osporava autentičnost poruka objavljenih u Nacionalu. Tvrdi – da nisu imale utjecaja kod zapošljavanja <a href="https://www.nacional.hr/marko-milic-ne-osporava-autenticnost-poruka-objavljenih-u-nacionalu-tvrdi-da-nisu-imale-utjecaja-kod-zaposljavanja/">https://www.nacional.hr/marko-milic-ne-osporava-autenticnost-poruka-objavljenih-u-nacionalu-tvrdi-da-nisu-imale-utjecaja-kod-zaposljavanja/</a>.

person named Domagoj Magdić satisfies the conditions for a certain job position<sup>4</sup>. The new minister of Construction, Physical Planning and State Property Branko Bačić, who was appointed to his duty only several weeks ago and whose main objective should be the acceleration of the reconstruction process of Banovina and other areas struck by the earthquake, allegedly texted Ivan Melvan, the man in charge of the Split branch of Hrvatske šume, with the names of six people; Bačić claims that he does know who these people are and that he only forwarded those names to find out whether they can be employed during the summer season<sup>5</sup>. Minister of Economy and Sustainable Development Davor Filipović had a similar response to that of Vučković and Bačić, claiming that he only enquired about information and that he is ready to talk to institutions if necessary. The common denominator found in the statements of every official is that they were not attempting to fix a job position for their acquaintances; rather, they were helping within the boundaries of the law.

#### **Reaction from the Opposition**

Looking from the outside, one could assume that this scandal, which certainly is the right word to use, could hurt the Government's rating with the citizens. We are still not sure how the public will react, but based on other such affairs that happened in the last 5-10 years or so, there is even a possibility that it would not hurt the Government and HDZ at all since the support to Plenković's both cabinets were rather stable throughout his mandate as the Prime Minister, regardless of various corruption affairs that happened to his ministers along the way. The opposition's reaction was expected, but somehow one can feel that they did not use the opportunity or momentum to address this issue more concretely. Nikola Grmoja, President of the Anti-Corruption Council of the Croatian Parliament, urged the State Attorney's Office (DORH) to start the process against Marko Milić and Krunoslav Katičić, the Secretary of HDZ<sup>6</sup>. On the other hand, President of the State, Zoran Milanović, considered by the press and the public as the only genuine opposition to the ruling party, underlined the seriousness of the

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<sup>&</sup>lt;sup>4</sup> Tportal.hr. 2023. I ministrica Vučković pisala šefu Hrvatskih šuma zbog zapošljavanja, evo kako to sada objašnjava <a href="https://www.tportal.hr/vijesti/clanak/i-ministrica-vuckovic-pisala-sefu-hrvatskih-suma-zbog-zaposljavanja-evo-kako-to-sada-objasnjava-20230201/print">https://www.tportal.hr/vijesti/clanak/i-ministrica-vuckovic-pisala-sefu-hrvatskih-suma-zbog-zaposljavanja-evo-kako-to-sada-objasnjava-20230201/print</a>.

<sup>&</sup>lt;sup>5</sup> Jutarnji.hr. 2023. Šefovima Šuma pisali i Bačić, Vučković i Đakić: 'Ministrice, naravno da ćemo ga primiti. Neka pošalje životopis' <a href="https://www.jutarnji.hr/vijesti/hrvatska/sefovima-suma-pisali-i-bacic-vuckovic-i-dakic-ministrice-naravno-da-cemo-ga-primiti-neka-posalje-zivotopis-15301139">https://www.jutarnji.hr/vijesti/hrvatska/sefovima-suma-pisali-i-bacic-vuckovic-i-dakic-ministrice-naravno-da-cemo-ga-primiti-neka-posalje-zivotopis-15301139</a>.

<sup>&</sup>lt;sup>6</sup> Jutarnji.hr. 2023. HDZ napao Grmoju: 'Kod četverostrukog ubojice je jeo kolače, možda to onda znači da stoji iza masovnog zločina' <a href="https://www.jutarnji.hr/vijesti/hrvatska/hdz-napao-grmoju-kod-cetverostrukog-ubojice-je-jeo-kolace-mozda-to-onda-znaci-da-stoji-iza-masovnog-zlocina-15301060">https://www.jutarnji.hr/vijesti/hrvatska/hdz-napao-grmoju-kod-cetverostrukog-ubojice-je-jeo-kolace-mozda-to-onda-znaci-da-stoji-iza-masovnog-zlocina-15301060</a>.

situation and compared it with corruption that hit the country capital Zagreb during the rule of the deceased mayor Milan Bandić. Interestingly enough, he used the concept of "state capture", often applied in the context of partly- or non-reformed post-socialist countries to describe what is happening in Croatia through the mismanagement of public enterprises such as Hrvatske šume which became a safe haven for politicians and their partners and friends.

#### **Conclusion**

All in all, we are yet to see how the situation will unfold in the upcoming weeks or months and to what extent the State Attorney's Office will deal with this case. We are now 10 days after the scandal hit the press and it seems that it is slowly losing the spotlight in the media and public discourse. The first reflection could be evidenced in the next publication of the Crobarometar poll which measures citizens' support towards state institutions and political parties. Until then, we can only contemplate how many people lost their job opportunities due to the unethical behavior of decision-makers.

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<sup>&</sup>lt;sup>7</sup> Glasistre.hr. 2023. Milanović: Slučaj Hrvatskih šuma treba imati pravosudni epilog <a href="https://www.glasistre.hr/hrvatska/2023/02/01/milanovic-slucaj-hrvatskih-suma-treba-imati-pravosudni-epilog-843631">https://www.glasistre.hr/hrvatska/2023/02/01/milanovic-slucaj-hrvatskih-suma-treba-imati-pravosudni-epilog-843631</a>.