

ORIGINAL PAPER

Restitution and Denationalization of Property in Serbia, as Part of Transition and Democratization of the State: A Legal and Historical Approach

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Abstract

This paper aims to analyze and present how several Serbian governments after democratic changes in Serbia in 2000 misused the need for restitution of confiscated property as the part of necessary changes for breaking with the socialist regime. This question was only one of the program promises of democratic political parties and was a tool for power. Both Serbian citizens and the European Union were repeatedly tricked that progress in the direction was made until it became absolutely necessary. The research was done with comparative method, where various laws pertaining to the restitution of the nationalized property were utilized. The laws employed in this paper were the three most important one: the Law on Property Restitution and Compensation, the Law on Restitution of Property and the Law on Reporting and Recording Seized Property. These laws will be analyzed and will be compared in terms of benefits they brought regarding restitution of confiscated property after the Second World War to the former owners who belonged to different categories. As the research using such methodology showed us, certain legal solutions were beneficial to particular groups of former owners in different laws. Such legal resolutions brought about often different, rather more benevolent solutions for churches and religious communities, on the one hand, and natural persons on the other. This in turn created possibility for discrimination. If these are put aside, all the laws had a beneficial effect in preparing citizens for the restitution, even those groups who were opposed to the idea, as they had benefited from confiscation.

Keywords: restitution, transition, denationalization, confiscation, Serbia

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With the end of the World War II, SFRY, as well as other Eastern European countries, did not avoid the fate of gross violations and irreverence for property rights of individuals and legal entities, endowments, churches and religious communities. As it is stated in Article 2 of the Law on Property Restitution and Compensation (the Law on Restitution of Confiscated Property and Compensation in the Official Gazette No. 72/2011), the government of the time, by means of laws and by-laws, of which were fortyone, with one stroke of the pen, groundlessly, yet molded into the legal form, disowned the pre-war owners of immovable and movable property. The owners included the church and religious communities. Confiscation of the property of all categories of owners was performed by expropriation, confiscation, agrarian reform and nationalization as the most widespread methods of seizure of immovable property, and in smaller numbers of movable property (Stojanovic, 1995: 25). After the fall of the Milosevic regime in October 2000, new democratic political parties wanted to prove that they had broke away with relics of the past communist regime. The issue of nationalization and the need for the adoption of the law on denationalization had always been raised in all election campaigns starting from the 2000, 2003 and later. However, this question was only one of the program promises of democratic political parties and was a tool for power (Vodinelic, 2013: 5-19). Unlike the East European countries in transition that went through the legal overcoming of the past and that managed to establish mechanism of rule of law and legal state in order to overcome historical injustice and solve the delicate problem of denationalization, there was no real political will and readiness to start with solving issue of restitution in Serbia (Trkulja, 2009: 23).

Due to the lack of real political will, attempts to draft denationalization have brought no results. Instead of passing a law on denationalization, in 2005 Serbia passed the Law on Reporting and Recording of Seized Property under the pressure of the Council of Europe to implement the denationalization. The Law came into force on June, 8 2005 (the Law on Reporting and Recording of Seized Property, the Official Gazette No. 45/2005). This law only regulates the procedure for reporting and recording confiscated property (Article 1). Article 8 explicitly states that "the filing of seized property under this Law is not a requirement for entitlement to restitution or compensation for the property, the more the requirement that such demand is made in accordance with the law". The law stipulates that the application may be submitted by individuals, hereinafter designated as the previous owners, their heirs and successors whose property was confiscated by applying regulations referred to in Article 1 of the same Law (art. 3 par 1 of the Law on Reporting and Recording of Seized Property, the Official Gazette, no. 45/2005). The Law stipulates the application for registration of the property may be submitted by the 30th of June 2006. The Directorate for Property of the Republic of Serbia (art. 6 of the Law on Reporting and Recording of Seized Property, the Official Gazette no. 45/2005) has received tens of thousands of preliminary requirements (Glisic, 2008: 70-71). Although the Law explicitly stipulates that it concerns only reporting of the seized property, its passing gave hope to the former owners that the government would one day, when it would suit the government, pass a law on denationalization.

Also, by giving such name to the Law, the state indirectly committed itself to adopt a law on denationalization. Such obligation meant that a special law would be passed, which will solve the question of denationalization, and that denationalization would be arranged in the form of right to restitution of confiscated property and in the form of the right to compensation for expropriated property, as stipulated in article 9, paragraph 1 of the Law. Thus, the state "itself created a great and a legally firm expectation

of denationalization and simultaneously passed the point of no return" (Vodinelic, 2008: 18-20). Article 10 of the Law on Reporting and Recording of Confiscated Property envisages that "the return of confiscated property to churches and religious communities will be regulated by a special law".

If Serbia had ever wanted to prove to the EU that it had been respecting the fundamental principles of law and justice, this would have been the last moment, because the majority of post-communist societies had started the process of restitution long ago, and some had already completed it. For example, Czech Republic, Slovakia and Hungary started denationalization and restitution back in 1991, Bulgaria in 1992, Germany in 1994, Romania and Poland in 1996, Albania in 2004. Since the newly formed states in the former Yugoslavia, Serbia was the last to begin the process of restitution. Before Serbia, this had been done by Slovenia in 1991, Croatia in 1996, Macedonia in 1998, Montenegro in 2004, Serbian Republic in 2000 and the Federation of Bosnia and Herzegovina in 2002.

The adoption of this Law on Restitution of Property to Churches and Religious Communities as the next step on the road towards democracy and democratization of Serbia

In the framework of the reform process, which then began, and which Serbia aimed at joining the EU, it took the development of democracy and promotion of human rights, as defined by the European Convention for the Protection of Human Rights and Fundamental Freedoms (Convention for the Protection of Human Rights and Fundamental Freedoms). The first article of the Protocol to this Convention (Protocol to Convention for the Protection of Human Rights and Fundamental Freedoms, Paris), provided, among other things, to any natural or legal person is guaranteed the right to peaceful enjoyment of their property. That right was completely negated by all the previous forty-one laws and regulations, which are enumerated in Article 1 of the Law on Restitution of Confiscated Property and Compensation from 2011. Therefore, through denationalization and restitution. Serbia had to end the historic injustice caused to the seized property holders, of abuse of rights and of political power, because the property was taken without just fees having been reimbursed or due to nonpayment of any fee. Property confiscated thus had to be returned to the owners. The constitutional basis for the adoption of the Law on Property Restitution to Churches and Religious Communities, which had been seized under the regulations, starting from year 1945, was in Article 72, paragraph 1, item 4 of the Constitution of the Republic of Serbia of 1990 (The Constitution of the Republic of Serbia of 1990, Official Gazette No 1/1990). The said article of the Constitution of the Republic of Serbia regulates and ensures property and contractual relations relating to the protection of all forms of ownership.

For Serbia to prove that was ready to implement a modern reform process, in early 2001 a working group at the Ministry of Justice and local government was formed to draft a bill that would resolve the issue of restitution of expropriated private property. At that moment, the question whether this area of law was to be solved by one or more laws was not resolved.

Also, in early 2001, the Charitable Foundations of Orthodox Christians from Switzerland - HOCS initiated the first steps aimed at creating the necessary conditions for the return of property to churches. In late 2001 the Serbian Ministry of Justice formed the working group consisting of experts of the National Ministry of Justice and Local Government, Association of Lawyers of Serbia and Charitable Foundation of the Swiss-HOCS (Draskovic, 2002: 7-9). Their task was to prepare a Draft Law on Restitution of

Property to Churches and Religious Communities. In April 2002, the Draft Law was sent to all churches and religious communities for opinion by and put up for public discussion. A member of the working group and the most famous Serbian Law Professor- Slobodan Perovic, accompanied adoption of this draft law at the roundtable, organized for the occasion, with the words: "let me say the words of general and juristic our honor, the word of faith in the renaissance of natural and just law, words of faith in better and fairer days" (Perović, 2002: 68).

These words best reflect the desire of democratic elite to draft legislation according to which the property will be returned to the status quo ante, ie. to the previous owners, in this case the churches. The same Law envisaged that it starts being applied from July 1, 2002. It did not happen. Finally, the Law on Restitution of Property to Churches and Religious Communities was issued on June 2, 2006. It entered into force on the 10th of June 2006, and started to be applied from the 1st of October 2006.

Passing of this Law had not only political rewards, but its entry into force meant that a new chapter of Serbian history, which marked a turning point in relations between church and the state, was written. At the same time the state has proved that it started on democratic way, although this law regulated restitution only to one category of subjects: churches and religious communities, in case when their property was taken without just compensation or no compensation. Thus equally entitlement to the conditions, manner and procedure of returning the property to all churches and all religious communities was recognized, but only under the condition that the property was seized under regulations in the period from 1945 (article 1). Primarily, the enactment of this Law had importance in the formation on awareness of broader masses of the people, especially among the people who currently lived/held nationalized real estate (especially residential and commercial buildings), to adjust to the realization that what was forcibly taken away must be returned to its rightful owner. As the church property was created by gift or testament disposition of its believers, not an economic activity that could be equated with exploiting other people's labor (Ninkovic, 2002: 14), especially in the period that is important to us, that is, since the creation of the modern Serbian state, this law has not caused much public interest. The adoption of the Law on Restitution of Property to Churches and Religious Communities, the state made it easy for civil society to accept without major upheaval adoption of the Law on Property Restitution and Compensation five years later, i.e. 2011. despite the great dualism regarding the possibility of returning the property to individuals.

Another reason for the passing of this Law before the Law on Denationalization is in the fact that the country knew in advance the potential number of churches and religious communities and their legal successors that would lay claim to the seized property. Justification for the priority adoption of the Law on Restitution of Property to Churches was also seen in the fact that the time for submitting requests for restitution claims to the Directorate for Restitution was set for within 24 months timeframe, i.e. from the 1st of October 2006 to the 30th of September 2008. In that period, 3,049 restitution claims were submitted. In contrast to this issue, as noted above, the Republic Directorate for Property of Serbia has received tens of thousands of preliminary requirement according to the Law on Reporting and Recording of Confiscated Property (The Directorate for Restitution of the Republic of Serbia).

In the same time, church property was the easiest to be returned in natural form, as in the most cases the property in question were enormous estates, which only changed their owner, in sense that they were passed into state/ social property or property of cooperatives and large agricultural conglomerates. At the time of enactment of this Act,

the real significance of what the above mentioned institutions had for the country's economy in the postwar period disappeared. This was mainly monastic land, land and forest holdings (Gaćeša, 1984: 362), while the number of residential buildings, buildings and office space was insignificant compared to the expected number of tens of thousands of claims by individuals, when a Law on Denationalization is passed. It was known that the church had accurate records of their property confiscated and to whom Cadaster plots are located. Although the part of those assets over time came to change the number of parcels, the same are easily identifiable, because their position was accurately known to churches.

The law has set a basic principle that it is the priority for assets to be returned in its natural form, and only if it is not possible, monetary compensation in government bonds or in cash can be given (articles 4 and 8). This form of restitution is the fastest, easiest, and it does not represent an additional financial burden to the state. It underlines the political motive and desire of the new democratic system to correct the injustices of previous undemocratic regimes.

Among other basic principles which underpin this law are the principle of equal treatment of all churches and religious communities and the principle of respect for acquired rights of third conscientious persons, who have acquired the right of ownership on the basis of lawful acquisition. Thus, the principle of legal certainty that it can not cause damage to third parties is maintained (article 8). Section 10 of the Law has put churches and religious communities in a privileged position, because the law anticipates that the seized property has to be returned in approximately the same shape and condition in which it was at the time of seizure. It should be emphasized that paragraph 2 provides that the property will be returned in its completeness, and if it can not be returned thus, it is possible to be partially restored, provided that the difference in values will be compensated in full market value. In this way, a message was sent that in the future the right to property would be absolutely respected. This message was soon forgotten, because this option is not given in the Law on Restitution and Compensation to all other categories of former owners. Thus they are in relation to the church placed at a disadvantage.

The legislator in this law better protects the tenant of immovable property which is used for his business, because he has the right to use the immovable property for no longer than two years, while it will not be the case with the previous owners, according to the Law on Restitution of Confiscated Property and Compensation. It is interesting that the legislator stipulated in the final provisions of Article 36 paragraph 1 that in time period of a month and a half before the publication of the law (released on June 2, 2006): "from the 1st of May 2006, any disposal of assets under the provisions of this Act subject to restitution is not allowed". It is difficult to determine to what end this provision was stipulated to be applied before the Law came into force.

The Law established a separate institution that was supposed to act upon the submitted requests: the Directorate for Restitution (article 21). By forming a special directorate, legislature had intended to complete the return of the property as soon as possible, while respecting the principle of urgency procedure provided for in Article 2. It would not be the case had the process been entrusted to the courts, because the courts in Serbia due to overload with the already existing caseload are slow in treatment of new cases. Article 32 stipulates that "against the decision of the Directorate it can not be appealed". The legislature has complied with the principle of making several instances in which dissatisfied church or religious community can initiate an administrative dispute. From March 1, 2012 the Agency for Restitution took over the cases from the Directorate

for Restitution, as according to the Law on Property Restitution and Compensation (article 63, paragraph 2). On the Agency's website was pointed out at the great importance of the work of the Directorate for Restitution, considering that through this, as it called it "little restitution", property confiscated more than half a century was returned. Thus, the Directorate formed a specific legal practice in the area of property rights, which would be of importance for the upcoming "great restitution".

By December 31, 2010, 40.50% of the required land and 16:31% of requested objects was returned to the churches and religious communities. In this period, 26% of the total claims filed were resolved and 509 executive decisions were issued and 278 conclusions. According to a new report from the Agency, by April 2014, 55% of the required land and about 40% of required surface facilities was returned. At the decisions taken 171 complaints were invested to the Administrative Court of Serbia. Of that number, 68 complaints were filed on court solution (39%) and 103 complaints were made on court conclusions (61%). By the December 1, 2010 the Administrative Court brought 53 judgments in administrative disputes. In 50 cases it rejected the charges as unfounded and upheld the decision of the Directorate for Restitution as a proper and lawful. According to the final outcome of an administrative dispute, the Administrative Court's decisions confirmed that 94% of the decisions of the Directorate for Restitution correct and based on law. Only in 6% of the cases, filed lawsuit was adopted and the decision of the Directorate canceled and returned to the Directorate for retrial. This indicates a high degree of professionalism, expertise and legality in the work of restitution bodies. According to a new report, by April 2014, the Agency has returned 55% of the requested land and about 40% of the requested surface facilities (Republic Agency for Restitution).

We can conclude that the fact that the Law on Restitution of Property to Churches and Religious Communities has been undoubtedly of great importance. The law had character of democratic change and emphasized the economic motive for improvement of materially-financial position of churches and religious communities. The state has proved that this law raised the issue of respect for the protection of property rights and thus indirectly committed itself that the Law on Denationalization of Property of the original owners — private individuals has to provide the same principles, the same criteria, conditions and manner of restitution, in order to avoid the discrimination of various categories of former owners in relation to the return of seized property. The principles laid down in this Law represented a condition sine qua non which must be respected by the upcoming Law on Denationalization when it becomes adopted.

The next step on the road towards democratization

After the adoption of the Law on Reporting of Confiscated Property and the Law on Restitution of Property to Churches and Religious Communities, the real conditions that would start addressing denationalization were created. After 2000 the Government avoided to approach solving inherited problems of communist rule. Due to the general political climate and the negative media campaign, the government feared that with the enactment of such a law it could lose support of a large number of voters, who on various grounds, had acquired or had purchased nationalized property (land, flats, etc.). Under the Law on Housing of 1990 (the Law on Housing of 1990, Official Gazette No. 50/1990), the masses of citizens had acquired and took the opportunity to buy out homes where they lived with their families and which represented social property. A number of these in fact were nationalized apartments, which were bought by tenants under more favorable conditions than the market stipulated. Thus, former proletarian tenants, living in flats in

social ownership, became their owners. Their proprietary right was confirmed with their entry in the land register or cadastre, as the owners. Former proletarians, and now the owners of apartments, which they would have never be able to buy, had it not been for the possibility of the buy out under conditions far below the market, spread and supported the negative campaign that aimed to fail passing of a law on denationalization.

The ruling party's coalition, scared for its survival in power, delayed the resolution of this issue. Under pressure from the Council of Europe, which Serbia is a member since 2003 and which insists on avoiding any form of discrimination of various categories of citizens, the fourth democratic government Kostunica-Djelic adopted the Draft Law on Denationalization on the government session of the 10th of May 2007 (Nacrt zakona o denacionalizaciji, 2008: 89). The same is put to a public hearing on the 4th of October 2007, i.e. seven years after the first democratic change in Serbia. During the public hearings, numerous critics have been made on the Draft Law. The draft was compared with the Law on Reporting and Recording of Confiscated Property and the Law on Restitution of Property to Churches and Religious Communities, Some of the envisaged solutions were equitable in relation to these laws, while some have a discriminatory character (Vodinelic, 2009: 167). Unlike the Law on Reporting and Recording of Confiscated Property, which had predicted that reporting relating to property seized, pursuant to regulations and legislation on nationalization after the 9th of March 1945 (article 1) the Draft law extended the right to denationalization of property to property confiscated from the 6th of April 1941 without charges and without the application of regulations (article 1). The Law in article 3, paragraph 1 stipulated that the right to lodge complaints have only natural persons, only for Draft Law to extend the circle of eligible applicant parties to non-commercial entities (article 9, paragraph 4 of the Draft Law). The Draft Law has alleviated the situation envisaged in the Law on Reporting and Recording of Confiscated Property in as much that the right to report was lost if the application was not filed until the 30th of June 2006. This is mitigated by article 85, since it allowed the right to lodge complaints to persons that for justified reasons failed to report (life abroad, illness, etc.), and who had the right to apply. Certain provisions of the Draft Law gave fewer rights to the previous owners than the rights given to churches and religious communities. On the same issue of denationalization, the Draft La provides in some cases less favorable solution than what is provided by the Law on Restitution of Property to Churches and Religious Communities. It is unjustified that the Law sees the church as one category of the owner and puts them in a more privileged position than the previous owners. The church assets are to be returned as whole, and if not in whole, churches and religious communities are entitled to obtain the difference in values in the remuneration to the full market value of (article 4). Unlike churches and religious communities, citizens only have a limited right to compensation under the pre-limited fund of 4 billion euro (article 55, paragraph 5). It was felt that with such legislation discrimination was made at the expense of citizens.

The greatest discrimination at the expense of citizens defined by the Law on Restitution of Property to Churches refers to cases when the legal individual proves that their property acquired freight legal transaction, in accordance to the market price, then the entity remains the property of the owner, and the Republic of Serbia is the payer who will pay monetary compensation (article 7, paragraph 2). In contrast, under article 18, paragraph 1 and article 17 paragraph 3 of the Draft Law, Republic of Serbia is exempt from paying the market value of monetary compensation, but must pay compensation through the state bonds. By certain provisions of the Draft Law individuals are placed in

a more favorable position than the position the churches and religious communities had been given by the Law on the Return of Property. One of the provisions is the right of tenant of property that returns to the church remains under 2 years of return (article 12), while the draft law stipulates that this right remains for citizens only for one year (article 24). From the comparative analysis of these laws, it can be established that the ruling political parties made discrimination between different categories of the owner using legal provisions, i.e. churches and citizens. Discrimination is manifested in the scope of property restitution, even though all of them were owners of the property confiscated as by the communist regime. Enforcement of this law has created a social prerequisite for the democratization of the society, but left it at that. The Draft Law was not sent to the Government for approval. Thus, neither legal conditions for accession to the denationalization were not created in Serbia, nor was fulfilled one of the essential conditions for accession to the European community - respect of property rights as inalienable human rights. This endless delay of the adoption of the Law on Denationalization did not go unnoticed neither by the Council of Europe, which called for urgent adoption of the Law on Restitution.

Towards the Final of Restitution

In March 2011, the president of the reconstructed Serbian government Mirko Cvetkovic, in his keynote address, stated as the first priority of the government that it is "fully committed to the rapid entry of Serbia into the European Union" (Government of the Republic of Serbia). Had the Government actually wanted Serbia to become the EU member state, it had to adopt a law on denationalization after years of delay and deception of the European Union.

The eleventh government since the democratic changes in Serbia, pressed by the requirements of the EU, could no longer delay the adoption of a law on denationalization. On July 29, 2011 the Government Committee for Economy and Finance adopted the Draft Law on Property Restitution and Compensation and sent it to a public hearing. That the adoption of the draft was one of the proofs of transition and democratization of Serbia, was confirmed at a press conference held on the occasion by the then Deputy Prime Minister Bozidar Djelic. In his address to reporters he said that "this is a significant requirement for candidate status for EU membership. With the adoption of this law Serbia will correct a great historical injustice. Serbia will be recognized as a modern European country that respects private property as an important part of human rights. This will strengthen the legal security of our country and contribute to attracting investment". (Djelic, 2011).

Two months after the promulgation of the draft, the Law on Property Restitution and Compensation was announced on the 28th of September 2011. Law was adopted on the basis of the principles set out in the Law on Restitution of Property to Churches and Religious Communities, which principles, as noted above, were the same representing a condition sine qua non (Markovic, 2009: 14). Although this long-awaited law after many promises saw the light of day, most of the former owners did not believe in democratic intentions of the government. Evidence for this is that over the half of applications for nationalized property was filed in the last month set as deadline for application for restitution.

In passing this law, the government was guided by three key principles. The first is to correct the injustice that had been done to many families due to ideological reasons and who had been waiting for decades on this moment. The second is that it does not

create new injustice, but to respect the legally acquired property of current owners of the requested property. The third principle is to align the law with the property available and with financial resources of Serbia, so that the law is applicable and that does not threaten the financial stability of the country i.e. the expense of salaries, pensions and other budgetary accessories. The Law, as opposed to the previous law, introduces the concept of former owners under which implies a natural person or legal entity that was the owner of the seized property at the time of nationalization (article 3, item 10).

The most democratic solution of this Law is that "the right to submit a claim in accordance with the Law shall have all former owners of confiscated property, their legal inheritors or legal successors, regardless whether they submitted a claim in accordance with the Law on Reporting and Recording Seized Property" (article 41. Paragraph.3.), effectively abrogated the illegal provision of the Law on Reporting. The process of restitution of nationalized property or compensation shall be initiated at the request of the parties, and not ex officio (article 39). Article 1 of the Law limits the right to apply for restitution. Those with the right are natural persons or legal entities whose property was confiscated by the acts of nationalization and only in time period after March 9, 1945 (article 1, Paragraph 1). In doing so, the Law did not leave space for interpretation of what those 'regulations' are, but they were exhaustively enumerated in article 2. This means that only property, whose confiscation was based in any of the numerated forty-one regulations, could be a subject to restitution (Rakitic, 2011: 213). The deadline for submitting applications was two years from the date of publication of the Law on the website of the Ministry responsible for finance (article 42, item 1).

The Law stipulated fair and democratic solution in Article 14 and in such way that it stipulated that "the compensation paid to the former owners in cash or securities shall not be taken into account when determining the right to property restitution and/or compensation". Thus provided solution is the result of facts that remuneration had not been paid to the owners, despite the fact that it had been prescribed. If someone had indeed received compensation or indemnification, it was symbolic and absolutely inadequate as market compensation. The Law was set up on three principles: the principle of priority of natural restitution (article 8), the principle of the protection of the acquirer (article 10) and the principle that the payment of compensation must not jeopardize macroeconomic stability of the country and its economic growth (article 30, Paragraph 2). Assets are to be primarily returned in form of the natural restitution. The seized property is to be returned to the former owner and only if it is not possible, compensation in the form of government bonds is given. Unlike the Law on Restitution of Property to Churches and Religious Communities, where it is stipulated that if the property can not be restored to churches and religious communities, it can be agreed that they obtain other property (article 16, paragraph 2), provided solution for the former owners is much less favorable and unfair. because the monetary compensation is limited and can never replace restitutio in rem. The total amount of compensation amounts to two billion euros for all users of compensation (article 30, paragraph 2) (Simonetti, 2003: 109-122). Compensation per former owner may not exceed the amount of 500,000 euros (article 31, paragraph 2). The Agency for Restitution was founded in order to conduct the proceedings, to decide upon requests for restitution of property, the payment of cash benefits and compensation. It began its operations on January 1, 2012 (article 51).

Reasons which made the former tenants of nationalized properties led the negative media campaign against the adoption of the law, were resolved in their favor. Having in mind that restitution aims to return property rights to that category of people

who over half a century ago had suffered injustice and since restitution is being carried out with respect for the law and human rights, the Law stipulated the most democratic solution for the masses, in the way that it takes into account acquired and current rights to the property which is the subject of restitution. The apartment buildings and houses, which are condominium property in accordance with the law, are not to be returned to former owners; this is also the case if the right of ownership former owners of the building or apartment ended (article 27, paragraph 2).

The exercise of democracy never goes smoothly and in straightforward way. In December 2014, the Law on Amendments of the Law of 2011 was adopted, postponing financial obligations of the state in terms of compensation. In practice problems occur in restitution of agricultural land, but regardless of all related issues that must be addressed along the way, Serbia has demonstrated that the protection of property and property rights is the basis without which there is no possibility of joining the family of European nations. The issue of confiscated property conducted after World War II through economic and political measures, and for which the previous owners did not receive the compensation, has become topical with the opening of the transition process. This issue had to be resolved for reasons of respect for the principles of fairness and respect for human rights, which form the basis of any democratic society. Head of the EU Delegation to Serbia, Michael Davenport said that in three years a great progress has been in the implementation of the Law on Restitution of Confiscated Property and Compensation, which is very important from the standpoint of respect for fundamental human rights and the rule of law (Sekulic, 2014), which elements are proof of the successful democratization of society.

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