

## **DRAFT**

### **Traveling Expenses and More** *One Step Closer to the Presidency*

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A four-party coalition won the election of a small, transitional country. The celebration lasted for days. One of the key elements of their success was the promise made by the young leader of one of the coalition parties that he would bring millions of dollars of foreign investment to the country. For months he had worked on convincing the government of a highly developed country on the other side of the ocean to help his country through foreign investment.

He spent a lot of time traveling between the two continents in order to speed up the process of establishing “special relations” with the foreign country. In question were millions of dollars, which was critical for his country if it was to emerge from a long recession. The rate of unemployment had been high for years and there was no noticeable growth in the country’s GDP. He believed that his country had many competitive advantages. All that was missing was foreign money.

The opposition, and even some of his coalition partners, accused him of making unrealistic promises. They argued that he was merely trying to position himself so that he could win the forthcoming presidential election.

When his efforts began to produce some preliminary results, the young party leader decided to give an interview with the country’s leading newspaper. “Soon,” he stated, “our Prime Minister will sign an agreement creating a free trade zone between the two countries, which will provide a break-through for further cooperation.” For example, he explained that a 40 percent import tax affecting two of his country’s main export products would be eliminated, which would allow his country to obtain a substantial advantage over their market competitors. “Our prices will be cheaper by 40 percent. In short, we will have a monopoly on these two products in the foreign country,” he stated proudly.

It was true that to further these goals, the young politician spent a considerable amount of time traveling overseas. Each trip cost thousands of dollars. Sometimes, potential distributors for his country’s products covered most of his expenses. At other times, foreign companies seeking to increase their presence in the young politician’s country picked up his tab.

The rumor that he was spending more time traveling than residing in his country triggered the following question from the journalist: “Has anyone checked your travel expenses? It seems that you are the most expensive politician in our country.”

“On the contrary,” he answered. “I am the cheapest. I traveled to the foreign country six times, and the foreign country has always paid my expenses. No money from my country was spent on me.”

The journalist continued with his questions: “But you are a politician of our country, not the foreign one. Some ministers, such as in Britain, have lost their positions because of actions such as yours.”

“This is not true,” he answered. “I do not travel there privately, but for the sake of our economy: Those who are interested in becoming players in our market pay 90 percent of my travel expenses. You can check this out. I have never been given a single per diem. I am the cheapest. Contacts are necessary. The interest is enormous. Big companies ask for contacts in our country and look to the agency I created as a serious partner, providing for all of their needs – administrative, legal, permissions, local management authorities, etc.” He was referring to the Agency for Reconstruction and Development, which was established by the government to facilitate the process of obtaining foreign investment.

Soon the interview ended. The young politician was glad that he gave the interview to one of the most prestigious journalists in the country. He knew that many of his fellow citizens would read the interview and get a better understanding of the tremendous efforts he was making to finally turn the economic situation around. If his efforts succeeded, he would be one step closer to the presidency.

Was he right?