

A stylized map of the Balkan region, composed of a grid of dots. Most dots are grey, but several are red, highlighting specific countries or areas of interest, including Macedonia and parts of Greece and Bulgaria.

# Early Elections, a Negative EU Report and a Positive ICJ Ruling in 2011

What Is in Store for the Former Yugoslav Republic of Macedonia in 2012?

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- The EU is worried that democratic reforms are faltering in the former Yugoslav Republic of Macedonia. The last progress report highlighted weaknesses with regard to media freedom, the judiciary, administration and the fight against corruption. If the trend continues, the country's EU integration may be downgraded. The government believes that these assessments are designed to apply pressure on the former Yugoslav Republic of Macedonia to settle the dispute with Greece concerning the name of the country.
- The early parliamentary elections on 5 June 2011 brought a more balanced Parliament, but no changes in government. After the elections, the ruling VMRO-DPMNE cracked down on political dissent and continued to promote nationalism. In a coalition agreement with DUI they settled some sensitive issues, but failed to finalise the census, which has given rise to inter-ethnic concerns. The opposition is a force to be reckoned with and is maintaining its policy focus, but it is affected by internal divisions.
- Lack of economic development and high rates of unemployment and poverty will remain the main challenges for the former Yugoslav Republic of Macedonia in 2012. The name dispute with Greece remains deadlocked, even though the International Court of Justice's ruling on 5 December 2011 legally strengthened the position of the former Yugoslav Republic of Macedonia. It remains to be seen whether the ruling will affect the country's Euro-Atlantic integration. The NATO summit in Chicago in May 2012 will be a crucial test. With no progress in EU and NATO integration, inter-ethnic relations are likely to remain volatile. While no substantial internal improvements are expected in 2012, the local elections in spring 2013 will provide an opportunity for new political developments.

## EU Progress Report: Objective Assessment or Political Pressure?

On 12 October 2011, the European Commission (EC) published its annual progress report on the EU integration of the former Yugoslav Republic of Macedonia. In it, the EC recommends that the European Council open accession negotiations with the country. But the report also highlights a number of problems, particularly concerning media freedom, judicial and administrative reforms and fighting corruption.

In the report the EC points out that »corruption remains prevalent in many areas and continues to be a serious problem«.<sup>1</sup> Currently, there is no track record of handling high-level corruption cases. There is increasing political pressure and intimidation of editors and journalists. The EC report states that »the closure, on charges of tax evasion, of a major television channel and three newspapers which are critical of the government has raised concerns about the proportionality and selectivity of the procedure, reducing the diversity of the media landscape«.<sup>2</sup> The latter statement also relates to weaknesses in the functioning of the judiciary and public administration. The main concern there is the appointment and tenure of judges and civil servants. Furthermore, efficiency could be improved in both areas.

The EC is worried that reform processes are slowing down, which could cause the former Yugoslav Republic of Macedonia to backslide with regard to EU integration. This is a serious development. Previously, the unresolved name dispute with Greece appeared to be the main issue in this respect. Stefan Fule, the EU Commissioner for Enlargement, at a press conference announcing the report stated that a slowing down of reforms could mean that opening accession negotiations would not be recommended, even if the name dispute was resolved.

The EC report and the comment by Commissioner Fule was not taken well in Skopje. Nikola Gruevski, Prime Minister of the former Yugoslav Republic of Macedonia, gave a long interview to the Macedonian Information Agency (MIA). In his view, the EC report was another

means of exerting political pressure on the former Yugoslav Republic of Macedonia »over the name issue by claiming we are not implementing many reforms and by overemphasising weaknesses«.<sup>3</sup> On the other hand, the discussion concerning the EC report focused on the omission of the adjective »Macedonian«. For the pro-government media it was a sign that the EC repudiates the identity of ethnic Macedonians. This interpretation caused a strong public reaction in the former Yugoslav Republic of Macedonia, prompting Dr Gjorge Ivanov, the President, to say that »Macedonia doubts the sincere intentions of the EU«.<sup>4</sup>

The former Yugoslav Republic of Macedonia held early parliamentary elections on 5 June 2011. The elections were judged positively by OSCE/ODIHR and the EU. The main expectation after the elections was that the EU integration process would move more quickly, not go into reverse. What happened?

## Political Developments after the Parliamentary Elections

On election day, the ruling right-wing party VMRO-DPMNE won 39 per cent of the vote, while the centre-left SDSM got almost 33 per cent. Among the Albanian parties DUI won 10.2 per cent of the vote and DPA got under 6 per cent. In comparison to previous elections the difference between DUI and DPA remains unchanged. On the other hand, the gap is closing between VMRO-DPMNE and SDSM. This shows that there will be a better balance of power in the new parliament.

Table 1 Distribution of mandates after the parliamentary elections in 2008 and 2011

Parties	Mandates in 2008	Mandates in 2011
VMRO-DPMNE	63	56
SDSM	27	42
DUI	18	15
DPA	11	8
Others	1	2

3. MIA, interview with Nikola Gruevski, part one, »Overemphasis on weaknesses to have opposite effects, NATO and EU remain priorities, Gruevski tells MIA«, Skopje, 17 October 2011, and Part Two, »Gruevski: Greece not making effort to find a solution, entire pressure put on Macedonia«, Skopje, 18 October 2011.

4. Cf. »Иванов: Сомнежи во искрените намери на ЕУ« [Ivanov: Doubts about EU's sincere intentions], Deutsche Welle World, in Macedonian: <http://www.dw-world.de/dw/article/0,,15500893,00.html> (accessed 2 October 2011).

1. COM (2011)666 Communication from the Commission to the European Parliament and the Council »Enlargement Strategy and Main Challenges 2011–2012« (extract conclusions on the former Yugoslav Republic of Macedonia).

2. Ibid.

After the elections, there were several important developments that illustrate the EU's concerns, as expressed in the progress report. The EU is concerned about media freedom and the clampdown on the political opposition. This is partly due to the fact that A1 TV and three newspapers were closed soon after the elections on charges of tax arrears and embezzlement. Many people believe that this is a political assault on critical and pro-opposition media. The EC report reiterates that worry. The trial of the owner and managers, arrested in January 2011, is on-going. There were rumours that a private entrepreneur, Mr Fijat Canoski, a relative of A1's owner and an opposition MP, will take over A1 TV. However, his key business project in construction development was demolished by the authorities in August. Allegedly, the investment of over 50 million euros did not have all the necessary certificates and the main building was 1 meter and 43 centimetres over the permitted height.

The EU is also concerned about how the fight against corruption is being handled in the former Yugoslav Republic of Macedonia. For example, on 6 June 2011, the day after the elections, Ljube Boshkovski, a former Minister of the Interior and leader of a smaller right-oriented political party, was arrested on charges of illegally financing his political campaign. In that campaign Mr Boshkovski accused the leadership of VMRO-DPMNE of corruption. He was found guilty and sentenced to seven years in prison. He is appealing the verdict, but remains in detention. At the same time, the ruling party VMRO-DPMNE registered a debt of 3.5 million euros in their financial report for the election campaign. Neither the State Commission for the Prevention of Corruption nor the Public Prosecutor seem interested in investigating the case, even though it is not clear how the ruling party will service the debt.

There are other examples that illustrate the EU's worries about the politicisation of public institutions and the regression of democracy. On election night a young man was killed in an act of police brutality. The Ministry of the Interior was slow to react and young people, using social media, organised a protest. However, pro-government supporters organised counter-protests, on the grounds that the initial protests were not genuine, but manipulated by the opposition.

The government's promotion of nationalism is also considered disturbing. Following the elections a monument

to Alexander the Great, 30 meters high and over 50 tonnes in weight, was erected in Skopje. The monument is central to the government-sponsored project »Skopje 2014« and was initiated in 2009. The broad idea behind the project is to reinvent the identity of modern ethnic Macedonians to be more in line with ancient Macedonia. In more practical terms, the government claims that the project supports the construction industry and the development of tourism. The last report of the International Crisis Group (ICG) on the former Yugoslav Republic of Macedonia labelled it »state sponsored nationalism«.<sup>5</sup>

These are not random events in the post-electoral period, but rather the most recent developments in a process of democratic degradation in the former Yugoslav Republic of Macedonia. Nationalistic and populist policies, along with concerns about media freedom, human rights, the rule of law and public administration were present throughout 2011. The events after the elections provided even more grounds for concern and gave the EU every reason to complain. In essence, the elections did not strongly affect the internal distribution of power in the former Yugoslav Republic of Macedonia.

## Government and Opposition

Former partners VMRO-DPMNE and DUI formed the new government. DUI derives from the National Liberation Army (NLA), the guerrilla group that fought in the 2001 conflict. Some of NLA's commanders and combatants were charged with crimes against humanity and prosecuted by the ICTY. However, due to the court's strategy of closure the cases were returned to the former Yugoslav Republic of Macedonia in 2006. Since then, DUI's position has been that the cases should not be tried and that they fall under the general amnesty law of 2001. The new majority in parliament, using its power to interpret legislation, adopted DUI's position. This was the main DUI political demand met in the new coalition agreement with VMRO-DPMNE. VMRO-DPMNE's prize in the coalition agreement was changes in the legislation on the Public Broadcasting Council, the main regulator of the media, giving the government more control over the Council. The OSCE and the Association of Journalists in the former Yugoslav Republic of Macedonia have objected to the changes.

5. ICG, »Macedonia: Ten Years after the Conflict«, Europe Report No. 212, 11 August 2011.

With regard to the composition of the government, VMRO-DPMNE kept the ministries of finance, foreign affairs, interior, education and transport and communication and gained the ministries of health and labour and social policy. DUI kept the post of deputy prime minister and retained the ministries of the economy, local government and the environment, gaining two new important portfolios, defence and European integration. The division of portfolios implies that VMRO-DPMNE will continue to influence the main policies, but 'DUI is expected to lead the processes of EU and NATO integration. However, it is difficult to say whether they will have much success, bearing in mind that progress in these areas to a large extent depends on solving the name dispute between the former Yugoslav Republic of Macedonia and Greece.

In his address to the Parliament, Prime Minister Gruevski said that there will be no change of constitutional name or acceptance of ideas that might jeopardize Macedonian national identity. Any solution of the name dispute should pass a referendum. He also recalled the importance of maintaining good inter-ethnic relations and vowed full implementation of the Ohrid Framework Agreement (OFA), the peace agreement that ended the conflict in 2001 and increased minority rights. However, a couple of months later the authorities were not able to take the census due to lack of cooperation between the coalition partners. The ruling VMRO-DPMNE announced that Gruevski had stopped the census to prevent forgery and manipulation of the number of Albanians.

The opposition SDSM heavily criticised the decision to call off the census. They also see the EC report as objective and fair. Its increased vote gave SDSM a stronger voice in Parliament. At its party congress after the elections, the leadership won a vote of confidence and its social democratic programme obtained the support of the delegates. However, some former high ranking party officials have criticised the leadership for a lack of party democracy. Employment and economic development remain the main priorities. Concerning the name dispute with Greece, in its electoral programme SDSM adopted the position that political actors in the former Yugoslav Republic of Macedonia first need to achieve a consensus. Then, a possible solution could be put to a public referendum.

The Democratic Party of Albanians (DPA) remains the second most important opposition party. DPA considers

that the provisions granted by the OFA are not sufficient. DPA also objects to DUI's narrative of the conflict and events in 2001: while DUI holds that the conflict in 2001 was a heroic struggle in which Albanians improved their status in Macedonia, DPA considers the conflict to have been engineered by the Serbian secret service in order to impede the independence of Kosovo. DPA demands a new agreement between Albanians and Macedonians, one that would define the country as bi-national and give greater territorial self-governance to Albanians.

## What Lies Ahead for the Former Yugoslav Republic of Macedonia in 2012?

The former Yugoslav Republic of Macedonia is suffering from slow economic development. The growth rate in 2012 is expected to be between 2 and 3 per cent. At the same time, the rates of unemployment and poverty will go above 30 per cent. In the absence of legal certainty for investors and due to uncertainties with regard to NATO and EU integration the country's attractiveness with regard to foreign direct investment remains dubious. The name dispute with Greece is likely to remain the main external challenge. The deadlock is likely to continue as the government in the former Yugoslav Republic of Macedonia remains entrenched, while the government in Greece is struggling with the economic crisis.

In 2008, at the NATO summit in Bucharest, Greece vetoed the accession of the former Yugoslav Republic of Macedonia due to the unresolved dispute. In response, the former Yugoslav Republic of Macedonia brought a case before the International Court of Justice in The Hague, based on the fact that in 1995 the former Yugoslav Republic of Macedonia and Greece had signed a so-called Interim Accord which provided that the former Yugoslav Republic of Macedonia could join international organisations of which Greece was a member, under the provisional name »former Yugoslav Republic of Macedonia«, and that Greece would not object. On 5 December 2011, the ICJ found that Greece had breached the Interim Accord at the NATO Summit in Bucharest. Even though the ICJ ruling remained silent on any future actions by Greece, the ruling undoubtedly provides legal support for the former Yugoslav Republic of Macedonia. Whether the positive legal ruling can translate into concrete political action remains uncertain, however. On the one hand, it is uncertain whether Greece will respect

the ICJ's decision; on the other hand, the conclusions of the EU Council in December did not mention the former Yugoslav Republic of Macedonia, and the message from NATO and the United States after the ruling is that a solution to the name dispute is paramount for NATO entry. The ICJ ruling has therefore not had an immediate impact on the Euro-Atlantic integration of the former Yugoslav Republic of Macedonia. The NATO Summit in Chicago in May 2012 will provide a strong indication of whether this will continue to be the case. The ICJ ruling supports the argument that the former Yugoslav Republic of Macedonia can enter NATO under its provisional name, leaving the name dispute to be solved in the future. But such an outcome is uncertain because it would effectively mean that NATO – and thus the EU as well – had taken the bilateral dispute on board.

Ethnic divisions will remain politically relevant in Macedonia in 2012. Inter-ethnic relations have steadily improved since the conflict in 2001. However, during the turmoil in Kosovo in summer 2011 Mr Ali Ahmeti, leader of DUI, stated that if Kosovo was divided no one could guarantee the integrity of the former Yugoslav Republic of Macedonia. The statement could be interpreted as a warning to the international community and support for the Kosovo authorities. But it also shows the fragility of inter-ethnic relations and that they are susceptible to developments in the region, as well as to domestic developments. Many forecast that inter-ethnic relations will worsen if the former Yugoslav Republic of Macedonia's path to NATO and EU integration remains obstructed.

The government's statements are likely to continue to diverge from its practice in 2012. During its previous term (2008–2011) the government became the main media advertiser. With the closure of the pro-opposition media, the government is likely to maintain or even increase its presence in the pro-government media. The rigid position towards Greece remains, along with the revival of ancient history. At the same time, public institutions, including the judiciary, remain under party control. Employment in the public sector is more likely to be offered to supporters of the ruling parties. Verbally, the government will remain committed to democratisation and Euro-Atlantic integration; in practice, it will continue to pursue nationalism and clientelism.

Three scenarios illustrate whether the situation in the former Yugoslav Republic of Macedonia will improve,

stay the same or deteriorate in 2012. The best case scenario and the worst case scenario provide extreme expectations of positive or negative developments. Currently, the status quo scenario seems the most likely. It is probable that the situation will not substantially deteriorate or improve. It seems that there will be no internal opportunities for political development before the local elections in 2013.

*First scenario: improvement, democratisation and Europeanisation.* If the government changes its political course and becomes more committed to democratic reforms this scenario may become plausible. Another important factor for this scenario is increased international involvement in solving the name dispute. The support of the opposition on both these issues could also be a contributory factor. Under such circumstances the democratisation of the country will continue. Media freedom will improve and the judiciary and administration will be strengthened. The tensions between the government and the opposition will be overcome. The name dispute with Greece will be resolved, the former Yugoslav Republic of Macedonia will enter NATO and start negotiations with the EU. The political stability and progress within the framework of Euro-Atlantic integration will attract new foreign investment. There will be an increase in growth and a decrease in unemployment and poverty rates.

*Second scenario: status quo until the local elections in 2013.* If the government stays on the same course, promoting nationalism and clientelism, this is the most likely scenario. It is not very likely that the EU or the United States will become more involved in settling the name dispute, if one bears in mind the problems in the Eurozone and the other current international concerns of the United States. Another contributory factor is that the opposition is likely to continue to consolidate and to enjoy increasing public support. Under such circumstances the government will continue to control most of the media and will not respond to political pressure. The tensions between the government and the opposition will remain at the same level. Public institutions, the administration and the judiciary will remain under party control. Nationalism and clientelism will be the bedrocks of political power. The name dispute will remain unresolved. There will be no progress in Euro-Atlantic integration. Inter-ethnic relations will be volatile. Growth rates and foreign investment will remain low, and un-

employment and poverty will remain at the same level. The local elections in 2013 will provide an opportunity to change the distribution of power and bring new political developments.

*Third scenario: deterioration, authoritarianism and polarisation.* If the government becomes more authoritarian, this is the most likely scenario. In that case, the former Yugoslav Republic of Macedonia may attract some international interest, but it is uncertain whether anything other than the isolation of government politicians will follow. It is certain that the opposition will not take such developments lightly. If the opposition is put under strong political pressure, in the absence of substantive international involvement, it is likely that it will confront the government. Under such circumstances the government will seek to manipulate the media and pressure political opponents. Opposition politicians and critical civil activists will be charged with alleged illegal activities and be publicly defamed. The tensions between the government and the opposition will increase. Public institutions, the administration and the judiciary will remain under strong party control. The public debate will become saturated with nationalism and xenophobia. There will be a plethora of conspiracy theories and labelling of domestic and foreign enemies. The country's path towards Euro-Atlantic integration will remain blocked. Inter-ethnic relations will be tense and the socio-economic situation will worsen.

both to NATO and the EU, but it is unclear what Greece will do. The NATO summit in Chicago in May 2012 will be a crucial test.

The democratic regression is the other reason why EU integration is at a standstill. Without substantive democratic reforms it is not likely that the former Yugoslav Republic of Macedonia will make progress. The message from the EU is clear: without democratic improvements EU integration will be downgraded, even if the name dispute is solved. The EU is expected to push for democratic reforms throughout 2012, but the government will probably not be very responsive. It is highly unlikely that the former Yugoslav Republic of Macedonia will confront the EU or even become estranged from it, but it is likely that the country will drift away from the enlargement process.

## Conclusion

The European Council's conclusions in December 2011 did not mention the former Yugoslav Republic of Macedonia. This shows that the EU integration of the country is at a standstill. One reason for this is the unresolved name dispute with Greece. The ICJ ruling legally supported the position of the former Yugoslav Republic of Macedonia in the name dispute, but it is uncertain whether it will affect the EU and NATO integration processes. The most positive effect of the ruling would be for Greece to allow the former Yugoslav Republic of Macedonia to enter NATO and start accession talks with the EU under the provisional name, as envisioned in the Interim Accord. Eventually, the name dispute will need to be solved, even though at the end of 2011 a solution is not in sight. Greece has effective veto power over the former Yugoslav Republic of Macedonia's accession



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