



Briefing

Political Trends & Dynamics in Southeast Europe

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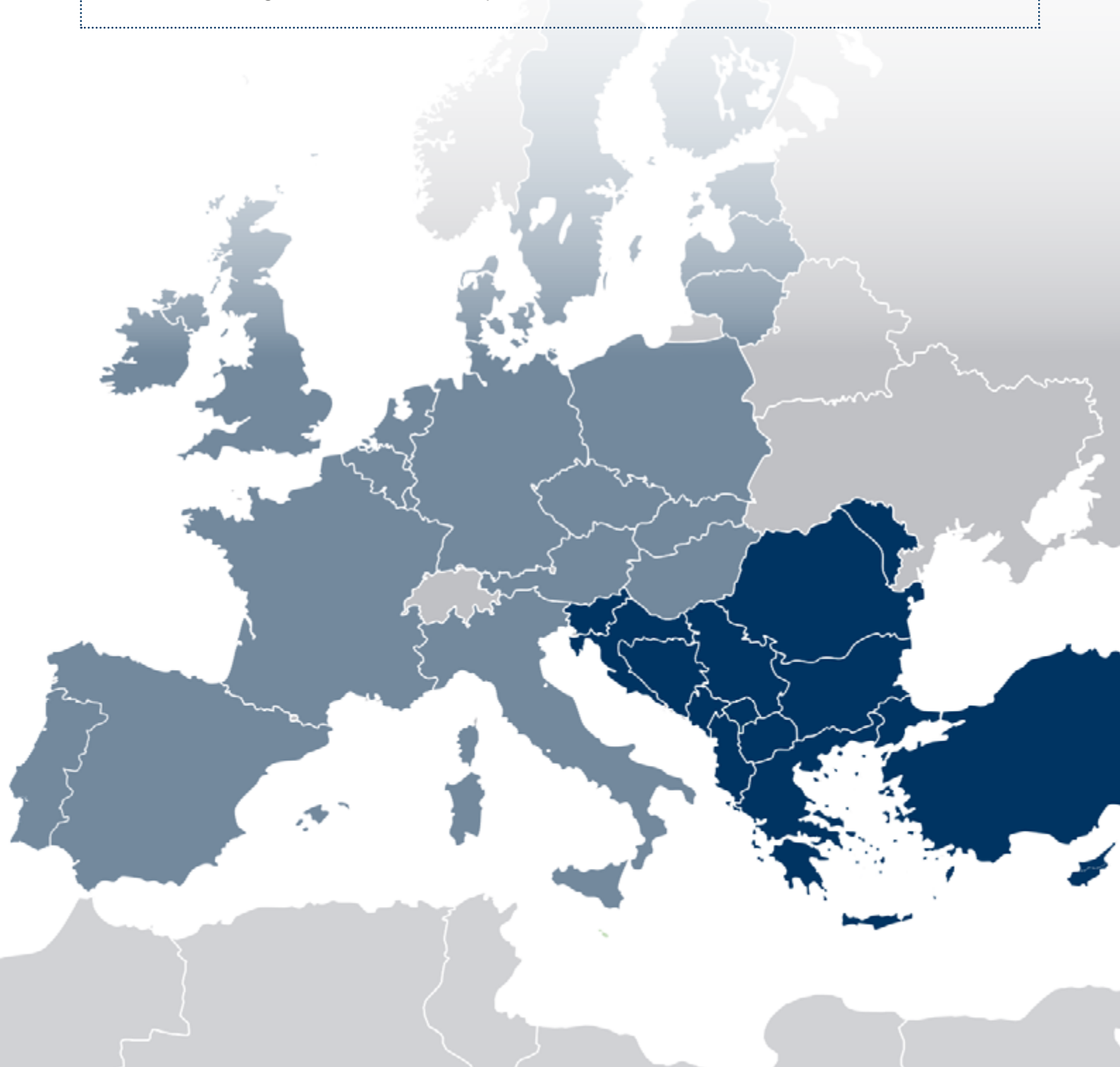
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A FES DIALOGUE SOUTHEAST EUROPE PROJECT 2016–2018

Peace and stability initiatives represent a decades-long cornerstone of the Friedrich-Ebert-Stiftung's work in southeastern Europe. Recent events have only reaffirmed the centrality of Southeast European stability within the broader continental security paradigm. Both democratization and socio-economic justice are intrinsic aspects of a larger progressive peace policy in the region, but so too are consistent threat assessments and efforts to prevent conflict before it erupts. Dialogue SOE aims to broaden the discourse on peace and stability in southeastern Europe and to counter the securitization of prevalent narratives by providing regular analysis that involves a comprehensive understanding of human security, including structural sources of conflict. The briefings cover fourteen countries in southeastern Europe: the seven post-Yugoslav countries and Albania, Greece, Turkey, Cyprus, Bulgaria, Romania, and Moldova. This is a joint project between the thirteen Friedrich-Ebert-Stiftung offices in Southeast Europe and the Social Overview Service (SOS).



Albania

In Albania this period was marked by the preparations of negotiations on constitutional changes, which is the key condition for the opening of Albania's EU accession talks.

Key developments

- The Albanian ruling and opposition parties have started submitting first constitutional amendments regarding the country's judicial reform to the special parliamentary commission, which is the main condition for country's opening of accession negotiations with European Commission. The U.S. ambassador to Tirana, Donald Lu and the head of the EU delegation, Romana Vlahutin, on May 10 and 11 participated in the parliamentary meeting of Albania's two main parties, Socialist Party and Democratic Party, in a final move to push through this reform.
- Albania's Prime Minister, Edi Rama met with U.S. President, Barack Obama and Vice President, Joe Biden on April 14 in the White House, Washington, to mark the 25th anniversary of the re-establishment of diplomatic relations between two countries. The main focus of this visit was Albania's role in the fight against terrorism in the Balkan region. This visit was seen as a clear confirmation of the strategic partnership between Albania and the U.S.

Next month's prospects

Judicial reform will be discussed and voted on in Albania's Parliament, which has until June to adopt necessary constitutional changes if the country wants to open EU accession negotiations within 2016.

Bosnia and Herzegovina

The situation in Bosnia and Herzegovina (BiH) in this period continued worsening due to the looming liquidity crisis as well as continued political blockade of the reform agenda.

Key developments

- Continued negotiations among Bosniak, Croat and Serb leaders on key reforms required for the continuation of country's EU path – including agreement on the coordinating mechanism, publication of the 2013 census and adaptation of the SAA in regard to the trade relations with Croatia – have still failed to born concrete results, despite strong engagement and support from Western diplomats and officials. EU officials and diplomats continue pressuring local political elites to find compromises on these issues, which would enable BiH to get candidate status in 2017.
- Both entities are facing growing liquidity crisis because of unresolved budget deficits. As a result, payment of salaries, pensions, social benefits and other expenditures is being delayed, which is causing new social tensions.
- Parallel rallies, organized by the ruling and opposition Bosnian Serb political blocs in Banja Luka on May 14, passed without incidents. The two rallies – which were held at the same time less than two kilometres from each other – gathered around 10,000 on each side. However, neither of the political blocs profited much from their respective rallies and their dead race is expected to continue as the country moves closer to October local elections.

Next month's prospects

In the coming weeks, Bosnian political elites will be negotiating final details of a new financial arrangement in which the International Monetary Fund (IMF) would provide budget support in the amount of some 500 million euros. Implementation of this program will be crucial for BiH, as both entities might face possible bankruptcy already in the coming months without it.

Bulgaria

Bulgaria is facing new instability as divisions within the ruling coalition threaten to topple the government.

Key developments

- At the end of April, Bulgaria's Parliament adopted a series of amendments to the country's Electoral Code, introducing mandatory voting and restrictions on the voting rights of Bulgarians living abroad, which could increase divisions within the ruling coalition led by Boyko Borissov's party, GERB. These controversial changes triggered civil protests which demanded from Bulgarian president Rosen Plevneliev to use his powers and veto some of the approved proposals. Some of the coalition parties, such as the left-wing Alternative for Bulgarian Revival (ABV) and the nationalistic Patriotic Front have openly stood against proposed changes and threatening with withdrawing their support from the government. This could push the country into a fresh cycle of political instability following the political crisis of 2013 and 2014.
- Continued influx of immigrants, who are still crossing Bulgaria on their way from Turkey to EU, have increased ethnic and racist tensions in the country, resulting with several attacks on and protests against immigrants and local Roma population. After Bulgaria gained global notoriety with its vigilante groups, which are patrolling the border with Turkey to "hunt" for migrants, a surprisingly high number of local citizens – some 60 per cent of them, according to a national poll of Alpha Research agency – have declared their support for such formations. Heightened ethnic tensions have also increased influence of nationalist parties from the Patriotic Front coalition, which had already pushed through ultra-conservative legislative proposals both on national and local level.
- European Commission and the IMF in April published positive assessments for Bulgaria's economy, predicting the growth of GDP in 2016 to be between 2 and 2.3 per cent. This exceeds expected average growth rate for the Eurozone, which is currently assessed to be at 1.5 per cent.

Next month's prospects

A presidential veto on the electoral code could take place in May, which would threaten the stability of the government and push Bulgaria closer to early parliamentary elections in 2016.

Croatia

The political crisis in Croatia continues worsening as relations between the two main coalition partners in the ruling coalition – the block led by the main national Croat Democratic Party, HDZ, and the list of independent candidates Most (Bridge) – are becoming more complicated and tense by day. In the meantime, there is also evidence of growing trend of conservatism in the country, where media and critics come under more and more pressure.

Key developments

- Both of the main Croatian parties, conservative HDZ and leading civic Social Democratic Party, SDP, held their party elections. Both parties re-elected their previous leaders, so Tomislav Karamarko remained the president of HDZ while Zoran Milanovic remained on the helm of SDP. These developments signalled that political crisis in Croatia is set to continue as both of these parties are perceived as increasingly detached from the population and ineffective.
- The Jewish community as well as Association of Anti-Fascists have refused to join Croatian government officials on April 22 annual commemoration at Croatia's most notorious concentration camp from the World War II, Jasenovac, due to what they said was the growing trend of the new Croatian government to absolve the Croatian pro-Nazi Usta-sha regime for atrocities committed during the World War II, and even revive some of its ideology.
- Croatian government officials have officially confirmed they would object to the beginning of the accession talks between EU and Serbia as long as Serbia maintains its law that gives legal jurisdiction to Serbian authorities to prosecute all those accused of war crimes in all of former Yugoslavia.

Cyprus

Despite change in the government in the Turkish part of Cyprus and upcoming elections in the Greek part of the island, talks between the two sides about possible reunification of Cyprus are expected to continue.

Key developments

- The Turkish Cypriot coalition government of former PM Ömer Kalyoncu resigned on April 5 following the breakup of the ruling coalition. On April 16, Turkish Cypriot leader Mustafa Akıncı approved a new coalition government, which is based on the National Unity Party (UBP), Republican Turkish Party-United Forces (CTP-BG), and several independent MPs, and named UBP Chairmain Hüseyin Özgürgün the new Prime Minister.
- Talks between Greek Cypriot leader Nicos Anastasiades and Turkish Cypriot leader Akıncı about possible reunification of the island continued in April, but without any visible progress, but both sides remain moderately optimistic.

Next month's prospects

Greek Cypriots are holding parliamentary elections on May 22, after which both sides expect talks about reunification to reconvene. Greek Cypriot leader Anastasiades announced that he will come to Turkey for a major UN conference, the World Humanitarian Summit, which is taking place in Istanbul on 23–24 May, where he will meet Turkish leaders for boost the talks about the future of Cyprus.

Greece

The situation in Greece remains dominated by ongoing economic and social hardship as well as the ongoing problems with migrants, but without clear positive or negative developments or perspectives.

Key developments

- In the beginning of April, Greece has signed a 368.5 million euros deal to sell the opera-

tor of Piraeus port to the Chinese shipping group COSCO. This is the second major privatization for the country since last year, as a part of Greece's struggle to stabilize its economic situation.

- On April 20, Greece also started the next round of talks with its international creditors (the European Commission, European Central Bank, European Stability Fund and International Monetary Fund) in order to conclude the bailout program review. By April 26 it became clear that these talks have hit a snag and that Greek government and the IMF were at odds over how to find the 3.6 billion euros in so-called contingency measures, or additional austerity, if Greece misses to reach a primary surplus target of 3.5 per cent by 2018. Lenders' representatives left the country with no agreement on April 28. On May 9, the Greek government and the Eurogroup agreed on a three-step contingency mechanism that will be based on the Greek government proposal and introduced through a Presidential decree. The mechanism is expected to bring further cuts in pension and wages and as well tax hikes. The Greece opposition slammed the agreement and considered the government incompetent.
- On April 19 the government presented a new pension system reform that envisages 30 per cent reduction of future pensions. This move triggered massive protests, especially by local media, but nevertheless, the bill was passed by the Parliament on May 8 with the votes of Syriza and Independent Greeks MPs. The government claims that this reform streamlines and improves the pension system.
- Amidst the ongoing refugee crisis, Pope Frances visited the Greek island of Lesbos on April 16, where he met a number of refugees, gave then his message of support and hope, and once again criticized world powers for fuelling this crisis. Latest estimate indicates 54,347 refugees are currently in Greece. Some of them are waiting to be reallocated to other European countries while the majority of them – including all those not fulfilling the conditions of gaining asylum in Europe - are expected to be returned to Turkey in line with the latest agreement between the EU and Turkey.

Next month's prospects

On May 24 Greece has to sign an agreement with Eurogroup that is going to enable next tranches to be paid to Greece, which will enable this country to cover large payments that are due in July.

Kosovo

The political situation in Kosovo is brewing following a series of changes on the local political scene. However, it is still too early to assess whether and how this will influence further developments on and the overall stability of the Kosovo political scene.

Key developments

- Former Kosovo PM Hasim Thaci was sworn as the new President of Kosovo on April 8. The biggest political party on Kosovo, the ruling Democratic Party of Kosovo (PDK), has appointed a new party leader on May 6. The Chairman of Parliament, Kadri Veseli took the lead of the party after 16 years of Hashim Thaci's leadership over it. The new PDK chairman, Veseli asked from Kosovo Prime Minister, Isa Mustafa on May 11 deep governmental changes in order to open the way for new PDK ministers in the Kosovo government.
- On May 3 the Kosovar national football team was accepted as the newest (55th) member of European football governing body UEFA opening the way for Kosovo to compete on European club and national team competitions. The UEFA countries' members voted on this decision with 28–24 votes in favour of admission of Kosovo, despite strong opposition of Serbia. On May 13 with 141 votes in favour and 23 against Kosovo won the right to become also 210 member of International Federation of Association Football (FIFA), a move that could lead to a place in 2018 World Cup qualifying. The events were publicly hailed by politicians and widely considered as the new step toward the full recognition of Kosovo as the newest state in Europe.

Macedonia

Macedonia's political crisis took another turn for the worse, after the Macedonian President pardoned all those involved in the wire-tapping scandal, effectively suspending international efforts to help organize new elections in this country.

Key developments

- Macedonian President, Gjorge Ivanov on April 12 abruptly pardoned all politicians facing crime investigations from the Special Prosecution created in the country to deal with the wiretapping scandal. The move of the President sparked big protests in the country from opposition and also from the civil society under what was called the 'colourful revolution'. Protesters through paintballs on the institutions and public buildings as signs of their protest. Besides the opposition parties also the Democratic Union for Integration, the biggest party of ethnic Albanians who ruled with VMRO- DPMNE condemned the President pardon, also accusing him of breaking the EU Pržino agreement that meant to pull out the country from crises. The EU and U.S. representatives also condemned the move, considering it a retrograde step for the country.
- Macedonia is failing to overcome the crises and conduct elections that will create a new government in the country. Though an election was settled to be held on June 5, this is not going to happen, since all other parties expect VMRO said that the conditions for free and fair elections in the country have not been met.
- The EU cancelled its April 21 meeting with the Macedonian party leaders, which was supposed to facilitate resolution of the crises. The EU called upon local political elites to show more responsibility in handling the actual situation.

Next month's prospects

EU and US are expected to increase their pressure on local politicians in an attempt to broker a new deal after the Pržino agreement seems to

be deemed to failure. Meanwhile, local protests are expected to continue.

Moldova

The situation in Moldova is becoming increasingly complicated as the reign of pro-Western oriented ruling coalition seems to be compromised by its weak governance, but the option of early elections bring risks of strengthening pro-Russian parties.

Key developments

- The large-scale street protests, staged by the Dignity and Truth Platform (DA) on April 20, showed that the political crisis which has been rocking Moldova since the beginning of this year is far from over. Motivated by the decision of the Central Electoral Commission to reject an initiative for the organization of a constitutional referendum, protests demonstrated the ongoing civil dissatisfaction with the rule of the current political elites.
- The USA and the EU have declared their commitment to support the Moldovan government in implementing reform measures, in a sign that the country's partners view the perspective for preliminary elections as a greater risk than the compromised integrity of the pro-Western oriented ruling coalition. If snap parliamentary elections are held, as demanded by the DA, Pro-Russian parties are expected to be elected into the Moldovan parliament.

Next month's prospects

In a continuous attempt to unlock the international financial assistance, the Moldovan government is expected to start official negotiations with IMF mission on May 23. The IMF has warned, however, that the mission will not have a mandate for signing an agreement on a new program.

Montenegro

The situation in Montenegro remains uncertain as the reshuffling of the government remains blocked by political quarrels.

Key developments

- Montenegro's veteran Prime Minister Milo Djukanovic was planning to resuffle his cabinet and gave five ministries to his opponents, as he is obliged to by an election deal agreed with five opposition parties. This deal was supposed to allow holding of parliamentary elections. Yet on May 16 Djukanovic refused to address parliament and propose a new cabinet after opposition MPs insulted him in the chamber the week before. Resolution of this latest crisis remains unclear.

Romania

Romania faced a new political instability as a number of ministers resign ahead of the local elections.

Key developments

- The technocratic government of Romanian PM Dacian Ciolos was shaken by a series of ministerial resignations over April, including the ministers of labour, culture and European funds. The withdrawal of the European funds minister Ana Raducu over failing to meet the tight deadlines for the EU funds absorption follows an announced loss of 3 billion euros for the period 2007–2013 for key transport and environmental projects. Romania will have to significantly speed up the absorption process of the remaining 34.2 per cent of EU funds for the previous program period in May, as June 1 is the deadline for sending the European Commission the application for interim payment.
- The intensive corruption probes into the central and local administration are additionally slowing up the public money investments. Many of the mayors and state officials are undergoing corruption investigations themselves, which makes them extremely cautious and unwilling to implement state or EU-funding projects of importance for the regional development.

Next month's prospects

An electoral campaign for the local elections is kicking off in Romania in May. Most likely, civ-

il society representatives will play a significant role in the coming elections, as the public trust in political parties, largely viewed as morally bankrupt, is still on very low levels.

Serbia

This period in Serbia was dominated by the preparations for early parliamentary and regular local elections, which took place in Serbia on April 24.

Key developments

- Serbian radical leader Vojislav Seselj, was surprisingly acquitted at the end of his trial at the UN War Crimes Tribunal for Former Yugoslavia (ICTY). This decision has shocked the region and international public and triggered strong criticism against ICTY, especially from Bosniak and Croatian officials in the region. This decision has also increased popularity of Seselj's radical party that was participating in the elections in April.
- Parliamentary elections were held in Serbia on 24 April 2016 simultaneously with provincial election in Vojvodina and state-wide local elections. The total turnout at the elections was 56 per cent. Serbian Progressive Party-led coalition of PM Aleksandar Vucic retained its majority, winning 131 of the 250 seats. In contrast to the 2014 elections, a record-breaking seven non-minority lists passed the 5 per cent threshold. Several parties returned to the National Assembly, including the Serbian Radical Party, the Liberal Democratic Party and the Democratic Party of Serbia, while three parties entered for the first time; the liberal Enough is Enough, the conservative Dveri (in coalition with the Democratic Party of Serbia) and the Green Party (as a Slovak ethnic minority list).
- Opposition leaders and many local experts warned that the April elections included serious and multiple cases of election fraud. After the ballot, the Serbian Election Commission was forced to hold new elections at 15 polling stations across the country because of various irregularities, but this did not significantly change the election results.

Next month's prospects

The upcoming period in Serbia will be dominated by negotiations among political parties aimed at formation of a new government, which is expected by the beginning of June.

Turkey

Situation in Turkey in this period continued worsening due to rising ISIS and PKK terrorist and military activities, political turmoil and the uncertain future of the EU-Turkey refugee deal.

Key developments

- PKK and ISIS increased their military and terrorist activities across Turkey in April. ISIS continued to bomb the southern border city of Kilis with missiles, which according to local officials resulted in the death of 17 civilians. Meanwhile, a number of terrorist attacks took place in different parts of Turkey, for which responsibility was claimed by either PKK or ISIS. The government declared new curfews in south eastern Anatolian cities in order to clean up the cities from terrorists, bombs and roadblocks. According to the report released by the Turkish military forces, TSK, the total of 5,369 terrorists, as well as 355 local soldiers, 7 local rangers and 133 police officials were killed in the fighting and various incidents.
- Political turmoil in Turkey continued to grow. Divisions between President Recep Tayyip Erdogan and PM Ahmet Davutoglu became more prominent. Following several moves obviously aimed at weakening of Davutoglu's position in the ruling AKP party and the government, on May 5, Davutoglu announced his resignation that will become effective once AKP elects the new party president and PM.
- EU-Turkey refugee deal and the visa liberation for Turkish citizens occupied Turkey's foreign policy agenda in April. The Turkish government had announced that all necessary 72 reforms which were asked by the EU were implemented, but only 67 of them were effectively carried out. The main stumbling block remained the EU's demand for Turkey to change its definition of terror. After the

resignation of Davutoglu, who put up a major effort to uphold the deal with the EU, its future as well as possible visa liberation for Turkey remains uncertain. Moreover, Erdogan publicly announced that Turkey is not going to change the definition of terror while the country greatly suffers from it. The EU, on the other hand, called Turkey to implement all promised reforms and criticized Turkey for using refugees as a political weapon.

Next month's prospects

The situation in Turkey is expected to continue worsening in the coming period, both because of ongoing terrorist and military activities, as well as because of political uncertainty about the new Turkish government that is expected at the end of May.

The Friedrich-Ebert-Stiftung in Southeast Europe

After more than two decades of engagement in southeastern Europe, the FES appreciates that the challenges and problems still facing this region can best be resolved through a shared regional framework. Our commitment to advancing our core interests in democratic consolidation, social and economic justice and peace through regional cooperation, has since 2015 been strengthened by establishing an infrastructure to coordinate the FES' regional work out of Sarajevo, Bosnia and Herzegovina: the Regional Dialogue Southeast Europe (Dialogue SOE).

Dialogue SOE provides analysis of shared challenges in the region and develops suitable regional programs and activities in close cooperation with the twelve FES country offices across Southeast Europe. Furthermore, we integrate our regional work into joint initiatives with our colleagues in Berlin and Brussels. We aim to inform and be informed by the efforts of both local and international organizations in order to further our work in southeastern Europe as effectively as possible.

Our regional initiatives are advanced through three broad working lines:

- Social Democratic Politics and Values
- Social and Economic Justice
- Progressive Peace Policy

Our website provides information about individual projects within each of these working lines, past events, and future initiatives: <http://www.fes-southeasteurope.org>

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