

Executive Summary

14 May 2024



North Macedonia's Double Election: The Day After

Panel discussion

Dem BMLV im Rahmen des Kooperationsprojekts BMLV/DIONSihPol – oip zur Verfügung gestellt.

Panelists:

Vedran Dzihic

Austrian Institute for International Affairs - oiip

Branimir Jovanovic

Economist, Vienna Institute for International Economic Research

Lura Pollozhani

Researcher, CSEES

Kristijan Fidanovski

Doctoral Candidate, University of Oxford

Moderated by:

Ivan Nikolovski

PhD Researcher at CEU, Co-coordinator of YURG

Date: May 14th, 2024, at the oiip

Summary Report Authors: Tara Miler and Vedran Dzihic

Key Words: North Macedonia, parliamentary and presidential elections, nationalism, inter-ethnic relations, regional stability, EU

Main takeaways

- VMRO-DPMNE's double election win and the election of Gordana Siljanovska-Davkova, the first female president, mark a change in North Macedonia's political landscape
- Concerns arise over the new president's past exclusionary policies and nationalist rhetoric, potentially increasing inter-ethnic tensions
- The dispute with Bulgaria hinders EU accession, with VMRO-DPMNE's hardline stance likely delaying the process
- Austria's support is crucial for EU ambitions, but the rise of the Eurosceptic Freedom Party could hinder it
- Austrian foreign policy towards North Macedonia should stand up for and protect the EU's values

Main takeaways – Deutsch

- Der zweifache Wahlsieg der VMRO-DPMNE und die Wahl von Gordana Siljanovska-Davkova, als erste weibliche Präsidentin, markieren einen Wandel in der politischen Landschaft Nordmazedoniens
- Es gibt Bedenken wegen der ausgrenzenden Politik und der nationalistischen Rhetorik der neuen Präsidentin, die möglicherweise die Spannungen zwischen den Volksgruppen verschärfen könnten
- Der Streit mit Bulgarien behindert den EU-Beitritt, wobei die harte Haltung der VMRO-DPMNE den Prozess wahrscheinlich verzögert
- Die Unterstützung Österreichs ist für die EU-Bestrebungen von entscheidender Bedeutung, doch der Aufstieg der euroskeptischen Freiheitlichen Partei könnte diesen Prozess behindern
- Österreichs Außenpolitik gegenüber Nordmazedonien sollte für die Werte der EU eintreten und diese schützen

Introduction

The recent double-elections in North Macedonia marked an important moment in the country's political landscape, and with the elections came critical questions about the future.

In the presidential elections, Gordana Siljanovska-Davkova, a nominally independent candidate supported by the right-wing VMRO-DPMNE and its coalition partners, was elected into the presidency, becoming the first woman to hold this office in the country. VMRO-DPMNE itself has won a landslide victory in the parliamentary elections, with 58 out of 120 parliamentary seats.

The Speakers analyzed the election results and their implications for the country's political future. Will the country experience a new authoritarian turn, given that VMRO-DPMNE has had this legacy in the past? How will the election results reflect on the inter-ethnic relations in the country? How will the government and president position themselves towards the relations with Greece and Bulgaria, and what will happen to the EU accession talks? How will Austria align itself towards their new partners in Skopje?

Significant shifts in parliamentary power and regional and domestic issues may lie ahead. This summary will delve into the four main themes discussed: the future of North Macedonian politics and political landscape, the inter-ethnic dynamics, regional stability and the future of the EU accession process and the role of Austria.

The Austrian Institute for International Affairs (oiip), in a forward-looking discussion held in Vienna, delved into the intricacies of these double elections in North Macedonia.

Political Direction

The recent elections have considerably changed North Macedonia's political landscape and direction, which has implications for policy, party dynamics, government formation and the general governance direction.

VMRO-DPMNE (Internal Macedonian Revolutionary Organization—Democratic Party for Macedonian National Unity), led by Hristijan Mickoski, celebrated a double victory in the presidential and parliamentary elections. The party gained significant influence, close to a parliamentary majority (Dimitrov, 2024). The coalition talks for the new VMRO-DPMNE government are underway, but we still don't know who will fill which government positions, as it seems that the country is in front of yet another crossroads. The party now faces challenges regarding future governance direction and building the coalition.

In the campaign, the party's two most prominent slogans were "Your Macedonia" and "Macedonia Proud Again", which raised some concerns about the party's populist tendencies. Macedonia Proud Again perhaps has some 'Make America Great Again' Trump-like undertones. Aside from these two slogans, the party has continually attempted to portray itself as more moderate than in the past.

As Branimir Jovanovic, an Economist from the Vienna Institute for International Economic Research notes, North Macedonia is currently struggling with an informal economy, poverty, high unemployment, especially among women, a massive brain drain, lack of workforce, as well as the global post-pandemic socio-economic crisis. However, not much change is expected under the new government. Especially as SDSM, the outgoing majority, and VMRO-DPMNE ultimately do not really differ in terms of economic policies, and both base it based on a neoliberal model of attracting FDI, low taxes, and low government spending. And as most of the economic policies in the program are the same for the new government, not much change should be expected.

VMRO-DPMNE has previously made promises to improve the socioeconomic situation of the country, including progressive taxation and reducing poverty and unemployment, fostering a more positive business climate, as well as developing a more responsible economic policy to reduce public debt while improving social service quality. Some of these policies have been adopted, but others have been abandoned, so there is some doubt surrounding the new mandate's success.

The party also raised some eyebrows due to the promise of the billion-euro loan from unspecified sources. Even before being sworn in office, the new prime minister announced that he would take a loan from an unnamed foreign government in the amount of billion euros, which was the only economic thing they hinted about their program. Some have suggested that it might come from

Hungary, which could be worrisome, as this might move North Macedonia closer to Hungary, with its pro-Russia and China policies, and although North Macedonia has never been politically close to Hungary, Russia or China, it may become closer to them as a result of this development. This adds a layer of geopolitical complexity to the new government's economic strategies. Furthermore, the speakers voiced worries regarding the future of freedom of expression and freedom of media under the new government. Prior to the election, North Macedonia had a higher degree of freedom of the press than other former Yugoslav countries, but there is now a possibility that the situation may deteriorate.

The outgoing parliamentary majority, the centre-left SDSM (Social Democratic Union of Macedonia), suffered its worst-ever defeat, winning only 18 parliamentary seats, which makes it the third political force in the parliament, a historical low for this party. The post-election future of the party is not clear, as some claim that if the party wishes to return to power, it must return to its roots; others suggest it should undergo drastic reform; yet others suggest it will never recover and might potentially perish from the political landscape. Consequently, these elections may have served as a wake-up call for the party going forward.

The Democratic Union for Integration (DUI), a key political party serving the interests of the Albanian minority in the country, won 19 seats and is now the second most powerful political force in the parliament. However, the party will almost certainly find itself excluded from the government coalition for the first time in two decades. In North Macedonia, traditionally, the winning Albanian party is part of the formation of the government; however, VMRO DPMNE has expressed unwillingness to include DUI in its coalition but instead chose a party VLEN, which came fourth in the elections (Marusic, 2024). The speakers interpreted choosing VLEN as an attempt to maintain the majority of power since VLEN is a potentially weaker party that would have fewer opposing voices and less influence than DUI. Known as a protector of Albanian interests, DUI's potential role as the leader of the opposition will be crucial for the sake of democracy as it can act as a sort of stabilizing force in opposition to the coalition in North Macedonian politics. The opposition's role will be critical for shaping the political discourse and holding the new ruling party accountable, so DUI could connect to SDSM to be able to challenge the government effectively, especially when it comes to the rule of law issues, to the EU, and to the Bulgaria dispute. If the parties work together, this opposition could be quite efficient.

We also saw the rise of two nominally centre-left and left-wing parties, ZNAM and Levica. These parties were fighting to become the third political force in the so-called Macedonian political bloc yet ultimately won six parliamentary seats each. However, while these parties declare themselves as in the left political camp, Fidanovski claims that there is no real left currently, as Znam has positioned itself as a centrist party on national matters, which also dominated their campaign. Levica and ZNAM do not align with either DUI or SDSM, resulting in a potentially fragmented opposition. DUI will need to lead a strong opposition by collaborating with its previous coalition partner, SDSM, to establish a substantial presence in parliament (Pollozhani, 2024a).

Potential coalition dynamics, such as the potential inclusion of ZNAM in the government to act as a balancing force, curb the anti-establishment appeal of the party, and will play a crucial role in determining the coalition's stability and the next steps taken. The ruling party, however, does not like to share power, so there is no certainty as to what will happen next. Although they have enough seats to govern comfortably without Znam, as the only ethnic Macedonian party in government, they are unlikely to make any kind of compromise, which would be easier by shared responsibility.

The shift in the government presents an opportunity for new policies, but with it comes uncertainty for the future. The expectations from the new government include addressing labour market challenges, brain drain, health care and corruption. However, there is scepticism regarding the possibility of significant changes, as the previous government failed to meet numerous promises.

Inter-Ethnic Relations

Despite having a tradition of coexistence among different ethnic groups in North Macedonia, tensions persist within Inter-ethnic relations in North Macedonia (Sharlamanov and Jovanoski, 2013). In her campaign, Gordana Siljanovska-Davkova, the newly elected president, used an inclusive vision of "Your Macedonia", aiming to appeal to all ethnic groups. However, she was previously known to have exclusionary policies and xenophobic rhetoric, so her perceived inclusiveness has raised doubts. Previously, Siljanovska opposed the use of minority languages, arguing that no European country permits such practices. As Lura Pollozhani, a researcher from CSEES, notes, Siljanovska's rhetoric has

been known to be quite Albanophobic and oftentimes veering towards exclusionary. This has been seen as divisive and counterproductive to fostering inter-ethnic harmony. As a professor, her academic background gave her credibility and enhanced the strength of her exclusionary statements, as people trusted her statements. She has been seen as opposing and using aggressive language toward the largest Albanian party, DUI, raising potential ethnic tensions. Furthermore, in the past, she loudly opposed the use of the Albanian language in official capacities and objected to the “Law on Languages”, which showcases her perspective towards full inclusivity of ethnicities and resolving inter-ethnic issues (Marusic, 2018). While the party as a whole has been much more moderate than usual when discussing inter-ethnic issues during this campaign, the current leadership played the nationalist card a lot in the last couple of years, so we cannot expect less nationalism only based on these weeks of campaigning. One likely reason why they presented themselves as more moderate this time is that they had already consolidated the right-wing vote, their base, and moderate rhetoric was there to win over some of the swing, more moderate voters who were disappointed with the Social Democrats.

The future of EU accession and Regional Stability

The path to EU membership has been complex for North Macedonia, and the recent elections might convolute things further. The country applied for membership in 2004 and was granted candidate status in 2005 (European Commission, n.d.). Regionally, North Macedonia has had an unsteady relationship with its neighbours, Bulgaria and Greece. The way the new government handles these relationships may considerably impact its standing domestically and internationally.

One of the most pressing issues is the ongoing dispute with Bulgaria, which has become a significant obstacle to accession talks, and the winning party has a relatively hard-line stance on the Bulgaria dispute issue. As part of the EU accession process, Bulgaria demanded that North Macedonia includes its ethnic Bulgarian minority as one of the state's founding peoples in the constitution as a prerequisite for EU membership. However, the amendment failed to achieve the required two-thirds majority in the parliament vote last year, as it was blocked by the current ruling party VMRO-DPMNE. The constitutional change was one of the central topics in the election campaign, and the EU and Bulgaria view it as an obstacle to accession (Keranov and Metodieva, 2024). VMRO-DPMNE has taken a hardline

stance, claiming that any constitutional changes should only be considered post-membership. This position complicates relations with Bulgaria and also poses a risk of a delay in the accession process. The party has apparently shifted to a more moderate tone to appeal to a broader electorate, but its position remains contentious when it comes to some accession requirements.

Even though VMRO-DPMNE uses language in which Bulgaria has to make concessions to North Macedonia rather than the other way around, given the unanimity principle in the EU, Bulgaria is still in a very strong position to influence North Macedonia's EU accession process. After taking the oath, Siljanovska refrained from referring to the country's constitutional name, North Macedonia, but instead called the country Macedonia, resulting in swift reactions from Athens, Brussels, and Sofia, starting her term with rising regional tensions. Siljanovska's rhetoric of refraining from calling the country by its constitutional name has also raised worries that North Macedonia will prioritize domestic issues over European integration.

A further issue in EU membership is the growing sense of disillusionment among North Macedonians. Despite strong support for EU membership, many feel that the country has been treated unfairly and that EU membership is just an empty promise. Their sentiments are exacerbated by the constant delays, additional requirements, and 'false promises' imposed by the EU member states. While recent surveys indicate 60% of the population supports EU membership, this is a lower percentage than in the past, which shows that the support has decreased. Furthermore, the Albanian part of the population shows a significantly higher support for the EU membership. However, disillusionment is shown as one-third of the population sees no progress in the accession process, and one-third is pessimistic and does not believe that the country will ever become an EU member. Furthermore, 83% of VMRO-DPMNE supporters do not believe that North Macedonia is ready for EU membership, which indicates a concerning trend for the future (Damjanovski, 2023).

The role of Austria

Austria has deep historical, cultural, political, and economic ties with the Balkans and is one of the strongest supporters of North Macedonia's EU accession process. Austria's continuous support will be crucial as North Macedonia navigates the future complex EU enlargement process. With the Freedom

Party's high poll standings in Austria, its win is highly likely, and if Austria is directed by this party, it might have serious implications for Austria and Europe in a broader sense. However, it is highly probable that the Freedom Party will form a coalition with the People's Party, in which case the Ministry of Foreign Affairs will probably not be given to the Freedom Party, so there will be some continuity in terms of the relationship with North Macedonia. However, enlargement is not a priority or even supported by the Freedom Party, and that coincides to a certain extent with popular opinion in the Austrian public, where there is currently no sentiment for enlargement. Currently, almost 50% of the population opposes enlargement to North Macedonia, while 21% is supportive, and others are indifferent or have no opinion (Österreichische Gesellschaft für Europapolitik, 2023). With its Eurosceptic views, the Austrian Freedom Party's rise poses potential challenges. The new North Macedonian government's relationship with Austria will need to balance these internal Austrian political dynamics; however, Vedran Džihic explained that as these are all from the 'rightish' bloc, the parties might actually be quite harmonious as they share this 'retrotopian' vision of society. For the future of the Austrian-North Macedonian relationship, a continuation of cooperation with elected officials and protection of Austrian interests in the region, including economic and trade relations, is expected. So, we can expect more of the same to a certain extent, such as policies that are quite in line with the trend.

In terms of EU enlargement, Austria needs to be at the forefront within the European Union to push for enlargement. It needs to act as an honest broker and partner for countries, strongly stand up for EU values, and be stricter on values when it comes to enlargement. For example, when it comes to Serbia, the EU is currently tolerating a despot, which is a very dangerous way to go, given the fact there are open disputes in the region, and the same despot almost drove the region to the brink of a new war last year. When we speak about watching closely in terms of values, there is also an imminent danger to freedom of expression and democracy in the region, which needs to be surveilled. Therefore, Austrian foreign policy should play a fundamental role by standing up to the values and being quite harsh as to the clear expectations to be met.

Conclusion

To end on a positive note, one of the speakers pointed out that whereas the new government is more right-wing, the change of power occurred regularly, with no violence, and in line with European normalcy. Electoral competition and the media were free from interference; with the media providing coverage of all candidates. Voters were further informed through televised debates leading up to the election day. In comparison to other Western Balkan countries, North Macedonia currently appears to be a consolidated democracy. While we do not know with certainty what the future will bring, this is a positive factor and is important to underline.

North Macedonia's political direction and landscape are changing. The path to EU membership, inter-ethnic relations and regional dynamics remain challenging, and the years ahead will be crucial in determining the future direction of the country and its place in Europe. We look forward to observing how the new government will navigate these complex challenges, which include EU accession, relations with Bulgaria and Greece, inter-ethnic relations, and economic stability, and shape the country's future. Speakers underlined the need for increased spending on education, healthcare, social protection from poverty and all public services. The government will need to address the country's economic model, the brain drain trend, and the frustration of people whose economic and social well-being is declining.

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