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After the Crisis – The New Macedonian Government's First Year in Office

Summary

Macedonia was for more than two years shaken by a deep political crisis that started in the realm of a massive wiretapping scandal revealed in 2015. This crisis finally came to an end when an opposition-led government took power on 31 May 2017. After months of obstruction by the long-term ruling party VMRO-DPMNE and its allies, the centre-left SDSM formed a coalition with three ethnic-Albanian parties and Zoran Zaev was appointed the new Prime Minister.

The article takes a closer look at how the crisis took a turn for the better and how the difficult situation after the snap elections of 11 December 2016 was resolved. It then takes stock of the development of domestic and international politics under the new government, as well as the progress of promised reforms. Overall, the government has achieved its intermediate goal and received a recommendation from the European Commission for the start of EU accession negotiations. This recommendation rewarded the ending of state capture, the increase in media freedom, and the inception of important reforms.

Still, much remains to be done and most measures still have to reach the decisive stages of legislation and implementation. Progress in the process of Euro-Atlantic integration could help the new government to achieve its agenda while remaining popular with the electorate. This progress, however, is based on a resolution of the name dispute with Greece. Domestic change in Macedonia, it seems, hinges on the willingness at the domestic and international levels to make such change happen.

Christian Hagemann

After the Crisis – The New Macedonian Government's First Year in Office

▪ Introduction: Macedonia one year after the government change

The period after the Macedonian parliamentary elections of 11 December 2016 was marked by a fierce fight for power between the long-time ruling party VMRO-DPMNE (Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity) under its leader Nikola Gruevski and Zoran Zaev's oppositional SDSM (Social Democratic Union of Macedonia). [1] After Gruevski had failed to renew his coalition with the ethnic Albanian party DUI (Albanian Democratic Union for Integration) at the beginning of 2017, VMRO-DPMNE obstructed the process of forming an opposition led government in all possible ways: Its members of parliament (MPs) filibustered the sessions of parliament to prevent its formal constitution; President Gjorge Ivanov refused to grant the mandate for government formation to opposition leader Zaev; and its aligned societal organizations protested – as the 'For a Common Macedonia' movement – in major Macedonian cities, warning of an alleged threat of federalization or even dissolution of the country under a new government. The obstruction reached a climax when the new parliamentary majority decided after months of patience to ignore VMRO's filibuster tactics and elected a new parliamentary speaker on 27 April 2017. The following storm of the parliament by an agitated mob and the violent attacks on oppositional MPs marked the low, but also the turning point of the crisis. One month later, the country had a new government (31 May 2017) consisting of SDSM, DUI, and the newcomer Alliance for Albanians (AA).

The government's first year in office was more stable than expected, what has to be taken into account when judging its overall performance. The new parliamentary majority broke with the system of state capture and took first steps towards the de-politicization of the judiciary, the media, and reform of the security services. Also, it worked closely with its neighbours to improve relations, and undertook new efforts to resolve the name dispute with Greece that is still blocking its path towards

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1   For a background reading on what happened before, see *Hagemann, Christian* (2017): "Parliamentary Elections in Macedonia: Inconclusive Result, Continued Instability?", Südosteuropa Mitteilungen 01/2017: 6-19, available at https://www.ceeol.com/search/article-detail?id=522144.

Euro-Atlantic integration. At the domestic level, these steps helped the ruling coalition to succeed in the local elections in October 2017. At the international level, on 18 April 2018 the government received again a recommendation from the European Commission for the start of accession negotiations.

This article analyses the first year of the new Macedonian government in office and assesses its performance at the domestic and international level. It starts with an overview of the political developments that led to the formation of the new government. This is followed by an assessment of the observable change in domestic as well as international politics. Reforms of policies and the polity as demanded by the EU as part of the "Pržino Agreement" and the "Priebe Report" are scrutinized in the next section; the final one offers some concluding remarks. While the new Macedonian government's first year showed some promising steps, much remains to be done in order to stabilize the country in the long term. Crucially, the government would benefit from an external incentive for reforms like a credible EU accession perspective, that would help to keep the coalition on track, together, and also secure voter's patience. Developments in the coming months are thus decisive as they will show if a resolution of the name dispute and thereby a start of EU accession negotiations is feasible.

Formation of the new government in 2017: From voting to violence

After the elections of 11 December 2016, the formation of a new Macedonian government proved to be a difficult and protracted process. Former Prime Minister and VMRO-DPMNE party leader Nikola Gruevski received as the leader of the biggest parliamentary faction the mandate to form a new coalition. Initially, it seemed that this endeavour might succeed and grant another term in office to Gruevski, despite of two preceding years of deep crisis. Still, even though the inner circle of the Albanian ruling party around party leader Ali Ahmeti was willing to support another VMRO-DPMNE/DUI cabinet, the wider party leadership and many of the party's vice presidents were strictly opposing this move. [2] The opposition has to be understood against the backdrop of at times harsh anti-Albanian rhetoric during the campaign, a historic electoral loss that had almost halved DUI's seat share in parliament, and two newcomer parties (Alliance for Albanians, BESA) with good chances to threaten DUI's dominance among Albanian voters also in the upcoming local elections. DUI leader Ali Ahmeti thus finally had to succumb to inner party pressure and the party moved slowly but decisively towards a potential coalition with opposition leader Zoran Zaev (SDSM). [3] Still, the party's decision to withhold its support from

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2 *Marusic, Sinisa Jakov* (2017): Balkan Insight 'Macedonia's DUI Ambiguous About Joining New Govt', 26.01.2017, available at http://www.balkaninsight.com/en/article/macedonia-s-dui-party-sends-conflicting-tones-about-new-govt--01-26-2017 (accessed 28 April 2018).
3 *Marusic, Sinisa Jakov* (2017): Balkan Insight 'Macedonia Govt Talks Stuck Over Albanian Language Demands', 20.02.2017, available at http://www.balkaninsight.com/en/article/macedonia-govt-talks-stuck-on-albanian-language-use-02-20-2017 (accessed 28 April 2018).

VMRO-DPMNE did not mean that an alternative coalition could be formed immediately.

After the failure of coalition negotiations on 30 January 2017, VMRO-DPMNE was still determined to prevent SDSM's participation in government and started to fight the building of a new coalition with all means, arguing that as the biggest faction in parliament it still had the right to lead the new government. Overall, it applied a threefold strategy: First, President Ivanov (VMRO-DPMNE) refused to grant the mandate for government formation to Zoran Zaev as the leader of the second biggest group in parliament. In a speech on 2 February 2017, Ivanov made the mandate contingent upon the presentation of a majority of signatures of members of parliament. [4] This step went far beyond the president's normally rather ceremonial role in government formation and was also a rather unusual demand as he requested proof of a majority before and not after the process of government formation. When Zaev finally presented the president the signatures, Ivanov still refused on 1 March 2017 to call on him for government formation, arguing that Zaev's acceptance of the 'Albanian Platform' as a basis for coalition negotiations would pose a threat for the Macedonian constitutional order and even to the survival of the state. [5] Ivanov remained on this position even after international calls to give in, also during visits from high EU representatives such as EU Commissioner Hahn (whom Ivanov avoided to meet), with MEPs Ivo Vajgl, Eduard Kukan, and Knut Fleckenstein on 21 March 2017, [6] who are following the political crisis for the European Parliament, and even EU Council President Donald Tusk on 3 April 2017. [7]

Second, VMRO-DPMNE sabotaged the election of a new speaker of parliament. The party's MPs split into ten parliamentary groups and used their speaking time to filibuster the constitutive session, thus giving prolonged speeches in order to prevent the session coming to a close. [8] The prevention of opening parliament formally had

4   *Marusic, Sinisa Jakov* (2017): Balkan Insight 'Macedonia President Sets Terms for Giving PM's Mandate', 02.02.2017, available at http://www.balkaninsight.com/en/article/macedonia-president-conditions-pm-mandate-02-02-2017 (accessed 28 April 2018).
5   *Skopje Diem* (2017): 'Macedonia President Denies Zaev Right to Form Govt', 14.03.2017, available at http://skopjediem.com/index.php?option=com_content&view=article&id=29783:president-ivanov-stays-firm-to-decision-not-to-assign-mandate-to-sdsm-&catid=1:latest-news&Itemid=81 (accessed 28 April 2018).
6   *Marusic, Sinisa Jakov* (2017): Balkan Insight 'EU's Hahn Makes Crisis Solving Dash to Macedonia', 21.03.2017, available at http://www.balkaninsight.com/en/article/hahn-in-crisis-solving-mission-to-macedonia-03-20-2017 (accessed 28 April 2018). *Marusic, Sinisa Jakov* (2017): Balkan Insight 'Macedonian President Avoids Meeting EU Commissioner Hahn', 21.03.2017, available at http://www.balkaninsight.com/en/article/macedonian-president-avoids-meeting-commissioner-hahn-03-21-2017 (accessed 28 April 2018).
7   *Meta News Agency* (2017): 'Tusk to Ivanov: Find a solution based on democratic principles and common sense', 03.04.2017, available at http://meta.mk/en/tusk-to-ivanov-find-a-solution-based-on-democratic-principles-and-common-sense/ (accessed 28 April 2018).
8   *Marusic, Sinisa Jakov* (2017): Balkan Insight 'Macedonian Parliament Stalled by VMRO DPMNE Filibuster', 28.03.2017, available at http://www.balkaninsight.com/en/article/eu-s-tusk-fails-to-remove-macedonia-govt-blockade-04-03-2017 (accessed 28 April 2018).

two effects: It disabled a potentially alternative parliamentary majority excluding VMRO-DPMNE to elect a new government, and it also put the local elections originally scheduled for May 2017 on hold, as the parliamentary speaker has to call for them. The former ruling party's filibuster in conjunction with the uncompromising stance of the president thus blocked the entire political process.

Finally, nationalist organizations also continued to rally voters to the streets of major Macedonian cities under the umbrella of the 'For a Common Macedonia" movement, allegedly independently from VMRO-DPMNE. These protests were officially directed against the 'Albanian Platform' jointly formulated by the Albanian parties in parliament and asking mainly for greater minority rights. Demonstrators argued that the platform was imposed from abroad (as Albanian Prime Minister Edi Rama had hosted Macedonian ethnic-Albanian party leaders in Tirana) and thus argued for a threat of federalizing or even splitting-up the country, thereby repeating many narratives already present during the election campaign and long before the formulation of the platform (referred to as "Tirana platform" by its critics). [9]

After several months of patience, the opposition took action to overcome the intricate situation, thereby triggering a furious reaction. On 27 April 2017, a majority of members of parliament remained in the room after interim speaker of parliament Trajko Veljanovski (VMRO-DPMNE) had closed the session which had again been filled with VMRO-DPMNE filibuster. The MPs then elected DUI's Talat Xhaferi as new speaker of parliament. After this vote had become public, a mob stormed the parliament building, vandalized several rooms, and severely injured several leading politicians from the opposition, among them party leaders Zoran Zaev and Zijadin Sela (Alliance for Albanians), as well as party secretary general Radmila Shekerinska (SDSM). [10] While these events marked the maximum escalation of the crisis, they were also the point from which everything could only get better.

The events of 27 April 2017 fundamentally changed international perception of the country's situation, and showed the danger stemming from a state of affairs in which control over Macedonia remained in limbo. Even after the events of 27 April, President Ivanov continued to block the formation of a new government, only revoking his decision at the beginning of May 2017 after a visit by US Assistant Deputy Secretary of State for European and Eurasian Affairs Brian Hoyt Yee. After Hoyt Yee's visit, Ivanov finally declared to no longer block the process and to grant the mandate to Zaev in case he would guarantee the protection of the state's unitary character and territorial integrity. [11] When the oppositional leader accepted this

9   *Marusic, Sinisa Jakov* (2017): Balkan Insight 'Macedonia MPs Resume Session Amid Threatening Atmosphere', 10.04.2017, available at http://www.balkaninsight.com/en/article/macedonia-s-parliament-resumes-session-amid-militant-tones-04-07-2017 (accessed 28 April 2018).

10   *BBC* (2017): 'Macedonia parliament stormed by protesters in Skopje', 28.04.2017, available at http://www.bbc.com/news/world-europe-39738865 (accessed 28 April 2018).

11   *Marusic, Sinisa Jakov* (2017): Balkan Insight 'Macedonian President Softens Stance After Meeting Yee', 01.05.2017, available at http://www.balkaninsight.com/en/article/macedonian-president-softens-position-after-meeting-yee-05-01-2017 (accessed 28 April 2018).

demand (which should be understood mostly as a face-saving gesture to the president), Ivanov granted Zaev the mandate to form a government finally on 17 May 2017. [12] After six months, it was thus eventually possible to form a new government on the basis of the results of the parliamentary elections: The SDSM was joined by DUI and the Alliance for Albanians, while BESA remained outside the coalition. The new government took power on 31 May 2017. [13] *Table 1* offers and overview over the distribution of portfolios.

Table 1: **Macedonian Government led by Prime Minister Zoran Zaev (SDSM), confirmed in Parliament on 31 May 2017**

Minister	Name (Party)
Minster of Foreign Affairs	Nikola Dimitrov (ind.)
Minister of Defence	Radmila Shekerinska (SDSM)
Minister of Interior	Oliver Spasovski (SDSM)
Minister of Finance	Dragan Tevdovski (SDSM)
Minister of Culture	Robert Alagjozovski (SDSM)
Minister of Transport and Communication	Goran Sugareski (SDSM)
Minister of Agriculture, Forestry and Water Economy	Ljupčo Nikolovski (SDSM)
Minister of Information Society and Administration	Damjan Mancevski (SDSM)
Minister of Labour and Social Policy	Mila Carovska (SDSM)
Minister of Education and Science	Renata Deskoska (SDSM)
Minister of Justice	Bilen Saliji (DUI) (resigned 21 March 2018)
Minister of Environment and Physical Planning	Sadulla Duraku (DUI)
Minister of Economy	Kreshnik Bekteshi (DUI)
Minister of Local Self-Government	Suhill Fazliu (Alliance for Albanians)
Minister of Health	Arben Taravari (Alliance for Albanians) / later Venko Filipce (SDSM)

Source: Government of the Republic of Macedonia, available at http://vlada.mk/ministerstva (accessed on 15 April 2018)

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12 *Meta News Agency* (2017): 'Ivanov hands over the mandate, Zaev guarantees the preservation of national interests', 17.05.2017, available at http://meta.mk/en/ivanov-hands-over-the-mandate-zaev-guarantees-the-preservation-of-national-interests/ (accessed 28 April 2018).

13 *Dimishkovski, Aleksandar* (2017): The New York Times 'Macedonia Has New Government, but Rocky Road Ahead', 01.06.2017, available at https://www.nytimes.com/2017/06/01/world/europe/macedonia-zoran-zaev-election.html (accessed 28 April 2018).

The new domestic politics: local elections as the next test for new, former, and 'wannabe' ruling parties

After the formation of government, domestic politics in Macedonia continued with similar positions and an atmosphere of high polarization, however, in a new constellation. The first test for the new government and the opposition's ability to take over the country from VMRO-DPMNE were the local elections which were finally held on 15 October 2017 (the second round took place on 29 October 2017). The elections resulted in a landslide victory for SDSM, which won the position of mayor in 57 out of 81 municipalities. In contrast, VMRO-DPMNE defended only five of its posts and thereby fell to third position, behind DUI (10 mayors) and before the

Figure 1: **Local Elections in Macedonia 2013 and 2017 – Total Number of Mayors**
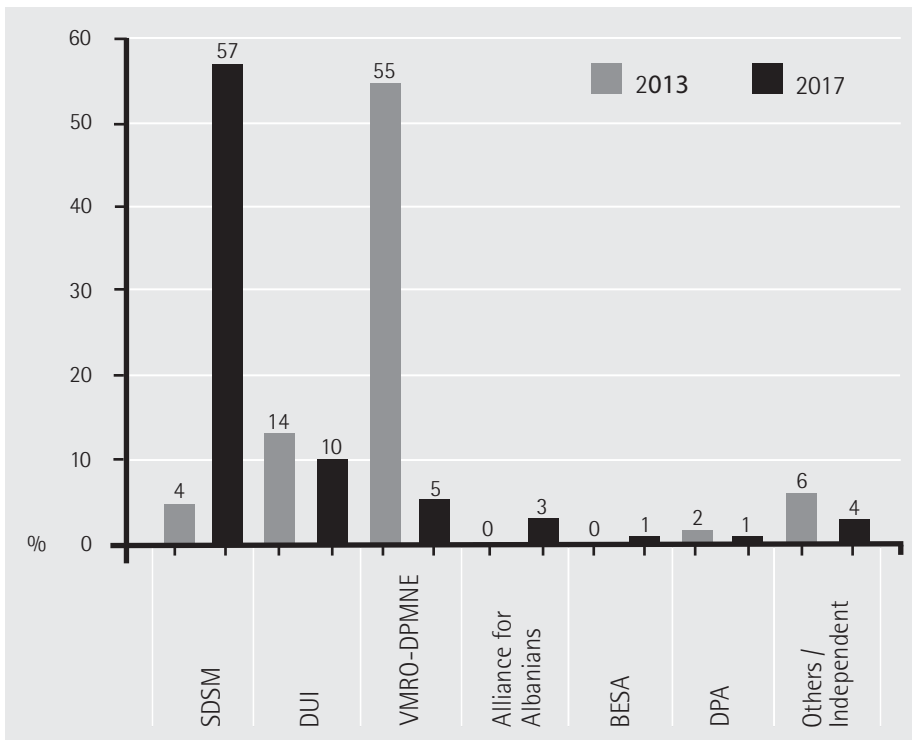
Sources: Nations in Transit 2018, Bertelsmann Transformation Index 2016 [14]

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14 *Bliznakovski, Jovan* (2018): Nations in Transit 'Macedonia', available at https://freedomhouse.org/sites/default/files/NiT2018_Macedonia.pdf, p. 12. *Bertelsmann Transformation Index* (2016): 'Macedonia Country Report', available at https://www.bti-project.org/fileadmin/files/BTI/Downloads/Reports/2016/pdf/BTI_2016_Macedonia.pdf, p. 7.

Alliance for Albanians (3), BESA (1), DPA (Democratic Party of Albanians) (1), the DPT (Democratic Party of Turks) (1), and three independent candidates. Crucially, the (new and old) ruling parties were the biggest winners of the election. SDSM turned the situation wholesale and took control of the vast majority of municipalities (see an overview in *figure 1*). Interestingly, also DUI could stop its downward trend of the parliamentary elections and managed to save most of its mayoral posts despite of its lack of internal reform and thanks partly to electoral coordination with SDSM. [15] While the Alliance for Albanians managed to win three municipalities, BESA overall failed to live up to expectations, but often on very close margins.

The results of the local elections triggered reactions especially from the losers. In VMRO-DPMNE, it accelerated the process of emancipation from Nikola Gruevski, who resigned from the party presidency in December 2017. The party then elected on 25 December 2017 Hristijan Mickoski as new party leader. [16] Mickoski is a new face in the party and had only been appointed secretary general in July 2017, serving earlier as head of the national energy company ELEM. He is thus not a major figure from the former cabinet and inner circle around Gruevski, but his short career in the party makes his independence from the long-time leader rather doubtful. His election was also critically received by well-known party figures such as former foreign minister Antonio Milošoski, Ilija Dimovski or former parliamentary speaker Trajko Veljanovski, crying foul over an alleged use of favouritism and intimidation to secure his win. [17] They argued that changing the party leadership without reforming the party's central committee and appointing new delegates in the first place would not result in the desired outcome of inner party reform. [18] VMRO-DPMNE also did initially not adapt its conduct, even though the party sent more recently some reconciliatory signs. After the party had used much of its energy to filibuster the constitutive session of parliament after the elections, it boycotted most of parliament's session at the end of 2017 and the beginning of 2018 after five of its MPs were charged with supporting the attacks on parliament of 27 April 2017. Still, VMRO-DPMNE MPs later also voted for EU demanded reforms (still in conjunction with a no-confidence motion against the government). [19]

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15 *Marusic, Sinisa Jakov* (2017): Balkan Insight 'Macedonia's Albanian Parties Battle for Electoral Supremacy', 29.10.2017, available at http://www.balkaninsight.com/en/article/thrilling-local-vote-in-macedonia-s-albanian-dominated-areas-10-27-2017 (accessed 28 April 2018). *Marusic, Sinisa Jakov* (2017): Balkan Insight 'Ruling Parties Seal Local Election Victory in Macedonia', 30.10.2017, available at http://www.balkaninsight.com/en/article/ruling-parties-seal-local-election-victory-in-macedonia-10-29-2017 (accessed 28 April 2018).

16 *Marusic, Sinisa Jakov* (2017): Balkan Insight 'Hristijan Mickoski to Lead Macedonia's Frail Opposition', 23.12.2017, available at http://www.balkaninsight.com/en/article/hristijan-mickoski-to-lead-macedonia-s-battered-opposition-12-23-2017 (accessed 28 April 2018).

17 See footnote 15, p. 6.

18 *Marusic, Sinisa Jakov* (2017): Balkan Insight 'Race for New Macedonian Opposition Leader Begins', 12.12.2017, available at http://www.balkaninsight.com/en/article/race-starts-for-new-macedonian-opposition-leader-12-11-2017 (accessed 28 April 2018).

19 *Marusic, Sinisa Jakov* (2017): Balkan Insight 'Macedonia Opposition MPs to Return for No-Confidence Vote', 06.04.2018, available at http://www.balkaninsight.com/en/article/government-no-confidence-brings-back-macedonia-opposition-to-parliament-04-05-2018 (accessed 28 April 2018).

The local elections in Macedonia had also an impact on the two ethnic Albanian newcomer parties. The outcome was very disappointing for BESA, which had expected a much better result after its strong showing in the parliamentary elections. Also, results in many crucial places were very close, such as the narrow victory in the major ethnic-Albanian city of Tetovo of incumbent Teuta Arifi (49.09 per cent) over BESA leader Bilal Kasami (46.32 per cent). [20] Dissatisfaction with the situation led then even to a split within BESA in early February 2018 into a 'Tetovo wing' around Bilal Kasami, and a 'Skopje wing' around MPs Nexhbedin Karemani, Afrim Gashi, and Rexhep Memedi. [21] After Prime Minister Zaev's recent offer, it is currently an open question whether or not BESA might join the government, and especially which wing of BESA will do so. DUI's other challenger, the Alliance for Albanians, suffered indirectly from the local elections. After its Health Minister Arben Taravari was elected mayor of Gostivar and left the cabinet, Prime Minister Zaev revoked the post from the party and appointed one of his personal advisors, Venko Filipce to the position. As a result, Alliance leader Sela declared that his formation would quit the coalition in protest for losing the ministry, but only after the law on languages would finally be in place.

The new international politics: conciliatory moves towards neigh-bours, but a resolution of the name dispute remains the crucial test

After its appointment, the new Macedonian government immediately went to work in order to launch important projects before the beginning of the summer break 2017. After the EU's intervention in Macedonia since 2015, establishing the special prosecution and engaging in conflict mediation, the crucial issues of breaking the spell of VMRO's long-time state capture and progress in the EU accession process were two sides of the same coin. It is essential for the government's survival in office to deliver on core reform measures. In this regard, revamping the process of Euro-Atlantic integration seemed to be the most likely field for quick progress in contrast to the final deliverance on domestic issues that will require deep structural reforms.

The government thus immediately started an initiative to improve relations with its neighbours. Already on 1 August 2017, Zaev signed an 'agreement for good neighbourly relations' with his Bulgarian counterpart Boyko Borisov. [22] However, the crucial

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20 *State Election Committee of the Republic of Macedonia* (2017): 'Results', available at https://rezultati.sec.mk/Local/Results?cs=mk-MK&r=r&rd=r5&eu=All&m=74&ps=All (accessed 24.04.2018).
21 *Marusic, Sinisa Jakov* (2018): Balkan Insight 'Split rocks Macedonia's Ethnic Albanian Besa Party', 09.02.2018, available at http://www.balkaninsight.com/en/article/split-rocks-albanian-opposition-party-in-macedonia-02-08-2018 (accessed 28 April 2018).
22 *European Western Balkans* (2017): 'Macedonia and Bulgaria sign Treaty on friendship, good neighbourliness and cooperation', 01.08.2017, available at https://europeanwesternbalkans.com/2017/08/01/macedonia-bulgaria-sign-treaty-friendship-good-neighbourliness-cooperation/ (accessed 28 April 2018).

relationship is still the one with Greece, as it blocks Macedonia's entry to both NATO and EU. Efforts of the Macedonian government thus focussed on improving relations with the Alexis Tsipras government in Athens in order to achieve a resolution of the long-time name dispute between the countries. UN mediator Matthew Nimetz started a new round of talks with Macedonian and Greek negotiators in Brussels on 11 December 2017. [23] Meanwhile, the two Prime Ministers met in person for the first time at the World Economic Forum in Davos on 24 January 2018, resulting in first trust-building initiatives like renaming the Alexander-the-Great Airport in Skopje and Highway to Greece. [24] The government's initiatives bore fruit, when NATO Secretary General Stoltenberg declared in January 2018 that Macedonia would be again invited to join the Alliance after solving the name issue with Greece. Furthermore, EU membership aspirations received a boost when the European Commission presented in February 2018 its new strategy for a more credible EU accession process for the Western Balkan candidate countries. [25] Even though Serbia and Montenegro were mentioned as frontrunners in this report, the presentation of the progress reports in April 2018 underlined that the EU Commission perceives Macedonia as one of the hopeful cases with a promising reform momentum and praised its ending of long-time state capture by the former ruling party. [26]

Still, Macedonia's progress in international integration hinges on a resolution of the name dispute with Greece, which remains a delicate endeavour with an unclear future. It is still a contested issue how the name could be changed (it seems currently that the name 'Upper Macedonia' is favoured), and where it would apply. While Greece demands a change *erga omnes*, that means in all contexts, the Macedonian government favours a solution that would only apply at the international level and not require a domestic change (of the constitution and of domestic usage). In addition to the two governments' ability to reach a deal, massive public protests in both countries have underlined that both electorates are very sensitive on this issue and that their leaders have to balance all interests carefully, including also the oppositions into the debate (with a view both on legitimacy of the decision as well as potential majorities in parliament). Recent polls show that in Macedonia 33 per cent are categorically against a compromise with Greece, while a majority of 61 per cent

23   Republika (2017): 'Nimetz schedules December 11-12 meeting in Brussels', 17.11.2017, available at http://english.republika.mk/nimetz-schedules-december-11-12-meeting-in-brussels/ (accessed 28 April 2018).

24   *European Western Balkans* (2018): 'Zaev – Tsipras: "Alexander the Great" highway to be renamed "Friendship"', 24.01.2018, available at https://europeanwesternbalkans.com/2018/01/24/zaev-tsipras-alexander-great-highway-renamed-friendship/ (accessed 28 April 2018).

25   *European Commission* (2018): 'Communication form the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions', 06.02.2018, available https://ec.europa.eu/commission/sites/beta-political/files/communication-credible-enlargement-perspective-western-balkans_en.pdf (accessed 28 April 2018).

26   *European Commission* (2018): 'The former Yugoslav Republic of Macedonia 2018 Report', 17.02.2018, available https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20180417-the-former-yugoslav-republic-of-macedonia-report.pdf (accessed 28 April 2018).

supports it. These numbers are split unevenly between ethnic Macedonians (42 per cent against) and ethnic Albanians (just 1 per cent for 'completely not support'). The split between both groups is even bigger when it comes to support for a solution, with 50 per cent of ethnic Macedonians completely or somewhat supporting a name change, but 95 per cent of ethnic Albanians. Unsurprisingly, the matter is more troublesome for the ethnic Macedonian population, but interestingly also in this group the share of those supportive of a compromise is slightly bigger than those opposing it. The only group in the country mainly against a compromise are VMRO-voters (60 per cent). [27]

Reforming policy and polity: domestic reforms and government agenda one year on

The new Macedonian government's domestic reform agenda can be divided into two parts. First, those measure stemming from the coalition agreement and thus mainly aiming to implement the 'Albanian Platform' – these measures are important for the government to keep the coalition together. Second, those measures stemming from the EU mediated process of crisis resolution: the Pržino Agreement, the Urgent Reform Priorities stressed in the Priebe Report in June 2015 (and reaffirmed in its second edition in September 2017), and further measures intended to end state capture and allow for more accountability and competition.

When it comes to the first set of reforms, the government engaged in a law on language which was also voted in parliament at the beginning of January 2018. The law would extend the use of Albanian in official contexts over the entire country, after it is so far only an official language in areas with more than 20 per cent of ethnic Albanian population. [28] Still, the law was vetoed and sent back to parliament by President Ivanov on 17 January 2018, after VMRO had before tried to obstruct the decision-making process by proposing around 30,000 amendments. The law was eventually re-voted in parliament on 14 March 2018 and received again a majority, despite of former VMRO-leader Nikola Gruevski trying to even physically stop the procedure. [29] Even though the President is now obliged to sign the law and has no more postponing veto, this has not yet happened, a situation reminiscent of last year's government formation struggles.

The bigger part of Macedonia's domestic reforms concerns the EU guided reform agenda. The EU-facilitated Pržino Agreement from summer 2015 is based on two

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27   *IDSCS* (2018): Institute for Democracy – Societas Civilis 'Poll: The public opinion and the name issue', 06.02.2018, available http://idscs.org.mk/en/2018/02/06/infographic-public-opinion-name-issue/ (accessed 28 April 2018).

28   *Marusic, Sinisa Jakov* (2018): Balkan Transitional Justice 'Macedonia Passes Albanian Language Law', 11.01.2018, available at http://www.balkaninsight.com/en/article/macedonia-passes-albanian-language-law-01-11-2018 (accessed 28 April 2018).

29   See footnote 28.

main points, the initiation of a reform process and the preparation of early elections (which happened in December 2016). First, the EU expert group delivered a report on the most urgent reform priorities in the light of the communication interception programme. [30] This so-called Priebe Report from June 2015 urges the government to improve oversight over the intelligence service UBK, which has the technical means to intercept communication without court orders; allow for an open investigation of evidence for electoral fraud; to stop pressuring the judiciary and the media, and let them act independently instead; and to allow for free and fair elections, especially by separating party and state and reforming the voter lists. [31] The new Macedonian government started to tackle these issues by creating in July 2017 a so-called 3-6-9 plan of reforms, with the numbers signalling the planned time for implementation of reform measures. The plan is based on the crucial reform documents mentioned above, and includes reforms in the areas of elections, functioning of parliament, inclusion of civil society, media, public administration, judiciary, security sector, and the fight against corruption. [32]

How far has this reform agenda come one year later?

It seems that while the general outlook of the government has shifted considerably, tangible reform outcomes are visible after this rather short time-frame, but still modest. The most positive result of the change of government does generally seem to be what the government did not do: It did not establish a system of state capture similar to that of the previous one, and also allowed for much more media freedom and reporting mostly free of fear of intimidation. This is already a crucial step when it comes to the political criteria of the enlargement process and has served to re-obtain the government a recommendation for the start of EU accession negotiations (which had been refused in the last report in November 2016). The most recent EU progress report from April 2018 further stresses advancement also in other areas (see footnote 26).

Public administration reform is underway, but the dismissal of large numbers of civil service managers following both recent elections shows not only the lack of change of inherited practices, but also the difficulties of overcoming old informal rules in a highly politicized setting. [33] The EU report further praises the new judicial reform strategies and action plans (November 2017), leaving still open the crucial period of concrete implementation in most areas. [34] It is also (positively) notable that key staff

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30   *European Commission* (2015): 'The Former Yugoslav Republic of Macedonia: Recommendations of the Senior Experts' Group on Systemic Rule of Law Issues Relating to the Communications Interception Revealed in Spring 2015', 08.06.2015, available at http://www.balkanalysis.com/files/2016/06/20150608_recommendations_of_the_senior_experts_group.pdf (accessed 28 April 2018).
31   See footnote 30.
32   *Government of the Republic of Macedonia* (2017): 'Plan 3-6-9', available at http://vlada.mk/sites/default/files/Plan3-6-9ENG.pdf (accessed 28 April 2018).
33   See footnote 26, p. 16.
34   See footnote 26, p. 18-19.

was changed, like the Chief Public Prosecutor (appointing Ljupčo Jolevski to the position), the President of the Supreme Court (Jovo Vangelovski), and the President of the Council of Public Procecutors, all changes which are expected to stop the obstruction in the handling of cases of the Special Prosecution (SPO). [35] A shift is already visible as wiretaps are beginning to be allowed as evidence in crucial cases. However, due to the lack of already implemented structural reforms, the EU report still warns that "risks of political interference in the judiciary persist." [36]

Figure 2: **Macedonia's progress in fulfilling EU political criteria**
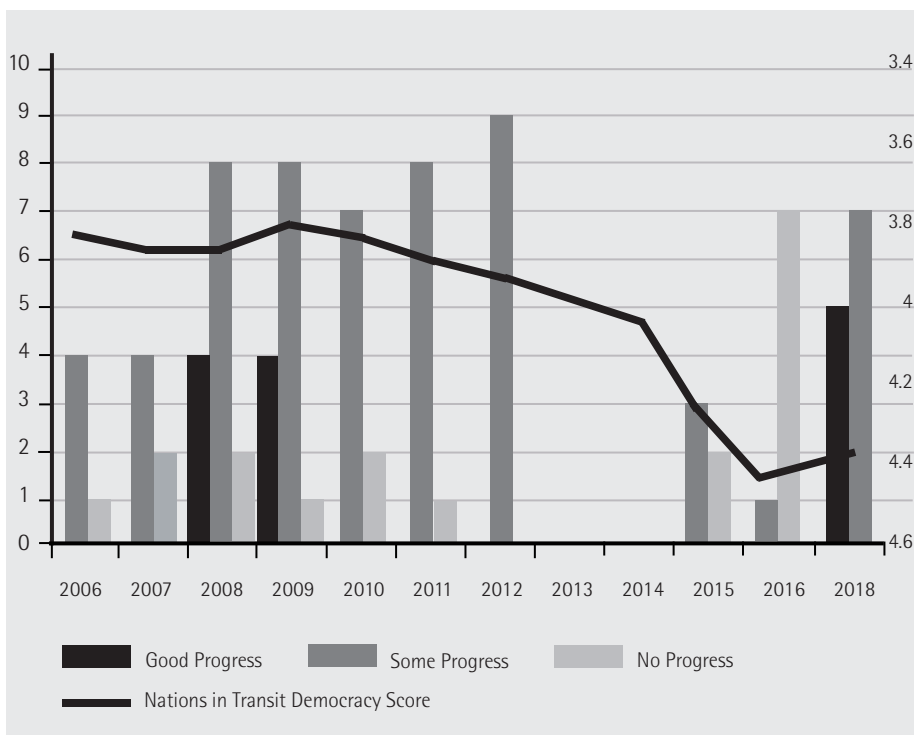
Source: Own evaluation of EU progress reports 2006-2018. Automated search for phrases 'good progress', 'some progress' and 'no progress' in the section 'political criteria'. The bars show absolute numbers of occurrence, referring to the scale on the left (in 2013 and 2014, curiously none of the searched phrases was used in the reports). The line graph displays Nations in Transit Democracy Scores 2006-2018 (from 1-7, while lower scores show better quality of democracy; here the scale was inverted to improve readability, thus a downward development means deteriorating levels of democracy). The scale for the line is on the right.

When it comes to the media, the most interesting change is the abolition of government advertising, which had earlier given the executive a strong influence on

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35   See footnote 15, p. 14.
36   See footnote 26, p. 20.

media outlets in this very small market of Macedonia. [37] In general, the climate for journalists has reportedly improved, after Freedom House had degraded Macedonia in its Freedom of the Press ranking 2016 to the status 'not free', the worst position ever held by the country and in Europe only shared by Belarus and Turkey. [38] Following the earlier criticism, both parliamentary and local elections were generally praised by international observers, though notably not flawless. While it seems important that competition was much higher due to less controlled media reporting, it should be mentioned with concern that alongside established practice Prime Minister Zaev "openly pledged government support for municipalities with mayors from the ruling coalition," [39] thereby again politicizing central-local-level relations. Also, the issues of the voter register which had been a major question in the Pržino Agreement have vanished from the agenda, even though evidence exists that after 30,000 names were deleted before the parliamentary elections, the registry is apparently back to its old number. [40] Still, criticism of the former ruling party of local elections as largely flawed were rated by ODIHR (Office for Democratic Institutions and Human Rights) as "unsubstantiated". [41] Finally, when it comes to the reform of the security sector, a new institution will in the future control the switches for interception of communication. This measure removes them from the direct control of the security services, which are supposed to no longer use them unchecked. [42] In sum, while almost all areas of criticism seem to have been addressed in one way or the other, there is naturally still much to deliver when it comes to legislation and also implementation of reforms.

The optimistic but mixed result reported by the European Commission is supported by further evidence from independent experts: The analysis of the Skopje-based think tank 'Societas Civilis' of March 2018 comes to the conclusion that after six months 52 per cent of the planned tasks until this point had been implemented, 16 per cent partially implemented, 19 per cent not been implemented, while 13 per cent of activities were judged unquantifiable. [43] Comparing the wording of the 2018 EU progress report to the years before also reveals an improved performance of the government when it comes to the fulfilment of the EU's political criteria, or at least a perception by the Commission that this is the case. – *Figure 2* above shows that while the rather vague category of 'some progress' had been persistently mentioned over the years (often referring to new strategies, but not tangible reforms), the level

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37   See footnote 26, p. 28.
38   *Freedom House* (2016): Freedom of the Press 'Macedonia', available at https://freedomhouse.org/
        report/freedom-press/2016/macedonia (accessed 28 April 2018).
39   *ODIHR* (2018): 'The Former Yugoslav Republic of Macedonia Municipal Elections 15 October and
        29 October 2017', available at https://www.osce.org/odihr/elections/fyrom/367246?download=true,
        p. 2 (accessed 28 April 2018).
40   See footnote 15, p. 9.
41   See footnote 39, p.3.
42   See footnote 26, p. 5.
43   *Nechev, Zoran / Nikolovski, Ivan* (2018): IDSCS/KAS 'Hurdling on 3, 6 and 9. Towards an
        Unconditional Recommendation? Monitoring the implementation of the second three months of the
        3-6-9 Plan. http://idscs.org.mk/wp-content/uploads/2018/03/izveshtaj-3-6-9-6-EN.pdf, p. 4.

of 'good progress' pointing to decisive reforms is at a level reached last time by the Gruevski government before the blocking of Euro-Atlantic integration by Greece (in 2008 of NATO entry and 2009 of EU accession negotiations) – back then referring in the progress report to crucial reforms in the areas of police, judiciary, public administration and corruption that would open the way to the country's first recommendation for a start of EU accession negotiations. While the better performance in addition to the slightly improved democracy score (the line in *figure 2*) underline a much more open and liberal style of government in Macedonia in contrast to recent years, it also shows quite plainly where the country had already been and what happened after domestic reform progress was not rewarded as originally promised.

Back to square one of the reform process

After one year in government, the SDSM-led coalition has performed rather well and the situation in Macedonia has remained calmer than could have been expected. Key reforms were brought on the way, state capture has diminished, and media freedom improved, allowing the European Commission to recommend the Council again to start EU accession negotiations. Still, despite of this progress the situation remains volatile as stability of the government rests on the public perception of progress towards Euro-Atlantic integration. This progress, in turn, hinges crucially on the resolution of the name issue with Greece and thus on a process which is only under limited control of the Macedonian government (and progress of which is uncertain at the point of finalizing this article). The main threat to a promising continuation of the reform process is thus another setback at the international level, that will postpone accession of Macedonia to Euro-Atlantic structures to an indistinct point and leave it without an external incentive for reforms. This would not only mean less pressure for the government to progress, but potentially also turn public attention to other pressing domestic issues like economic stagnation, unemployment, emigration, and rising public debt, making it much more difficult to keep the coalition together and to stay in office. This would make it also more attractive to turn to more populist politics and policies instead.

Why should a reform-oriented government turn away from its agenda? At the very least, domestic reform is 'costly' as it limits the government's power and enhances accountability, and also as it often costs jobs and ends clientelist appointment strategies. These costs can be sold to voters with a credible incentive in hand, like the prospect of becoming part of the EU and the following ability of travelling, working, and living in all countries of the single market, or of receiving much higher amounts of EU funds to improve the country's infrastructure. Without such a long-term or ideally medium-term perspective, voters as well as politicians are much more likely to discount the future benefits of reform for the present advantages of power preservation through state capture.

After all, also the early Gruevski started out as a technocratic reformer with a young, energetic, and internationally minded cabinet supported by the EU, and later turned

to nationalist rhetoric and state capture. Even if the SDSM is unlikely to play the nationalist card in the same way as VMRO-DPMNE, it might well turn to stronger clientelist practices and patronage appointments when the reform incentive fades, thereby limiting political competition, hampering development, and increasing state debt. Overall, it makes sense to base one's expectation of a government not only on its initial reform credentials, but also on the structural incentives and constraints it is facing. It seems that Macedonia has arrived for the second time in a decade at a point where a window of opportunity for reforms exists, but where it has again only limited control of the conditions of success. If taking the reform track should fail for a second time, the blame will not only be on domestic actors.