

Parliamentary Elections in North Macedonia 15th July 2020

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SDSM Victory with Flaw

On 15th July 2020, North Macedonians were called to vote for a new parliament. The elections brought a tight victory of the alliance “We can” between the Social Democratic Union of Macedonia (SDSM) and the ethnic Albanian BESA movement – the first alliance between a mainly Macedonian party and an ethnic Albanian faction. “We can” won 36% of the votes and 46 of the 120 seats in parliament. This is a loss compared to 2016, when the SDSM, its partners and the BESA movement (that had run separately) had made in total 42.9%. The rival alliance “Renewal”, led by the opposition right-wing VMRO-DPMNE (Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity) also lost considerably and secured 34.7% (minus 4.7%) and 44 seats. Levica (The Left) scored a respectable result with 4.1% of the votes and two seats.

The Democratic Union for Integration as Kingmaker

Again, the parties representing the ethnic Albanian minority (about one quarter of North Macedonia’s population of 2.1 million) will play a crucial role in the formation of the next government. The Democratic Union for Integration (DUI), although his leader Ali Ahmeti is supposed to have criminal implications such as his long-time political ally, former VMRO-DPMNE leader and Prime Minister Nikola Gruevski, expanded its leading role and got 11.5% of the votes (plus 4%) and 15 seats. The DUI, which has been junior party in various governments in 18 of the last 20 years, will be the kingmaker in the government formation process again. Its main rival, the coalition of the Alliance for Albanians and the Alternativa party, made 8.6% (12 seats), the Democratic Party of Albanians (DPA) 1.5% (one seat).

Better Chances for Zaev

SDSM leader and former Prime Minister Zoran Zaev is likely to be able to form the new government coalition. In order to secure a tight majority in parliament, Zaev could form a coalition with DUI or with all or most other small parties. Since VRMO-DPMNE, led by Hristijan Mickoski, is following closely behind, it is not out of the race. However, it would have to gain support not only from DUI, but also from at least one other party.

51.3%
Overall voter turnout
(2016: 66.8%)

120 members of the parliament
were elected

Postponed Snap Elections

The vote of 15th July were snap elections that were originally scheduled for 12th April. Because of the Covid-19 crisis, party leaders, convened by President Stevo Pendarovski on 17th March, decided to postpone the elections. What followed the first of infections was a long debate over the new election date. Mid-June, after President Pendarovski had lifted the state of emergency, the main decision-makers agreed to hold the elections on 15th July.

Caretaker Government

The Covid-19 crisis has hit the country at an inopportune moment: On 3rd January 2020, the then Prime Minister Zoran Zaev resigned and a caretaker government, led by Oliver Spasovski, general secretary of the Social Democratic Union of Macedonia (SDSM), took office. As required by North Macedonian law, the primary task of this transition government was to organize and carry out fair, democratic, and credible parliamentary elections. When the pandemic reached North Macedonia in mid-March, the parliament was already dissolved. In addition, the caretaker government could not function to its full capacity. In order to enable it to take over the legislative function and issue-decree laws in fight against Covid-19, President

Pendarovski declared a 30-day state of emergency on 18th March and prolonged it three times. The composition of the caretaker government under Oliver Spasovski largely reflects the previous government of Zoran Zaev – with an important difference: The main opposition party VMRO-DPMNE nominated several (deputy) ministers, including the Deputy Prime Minister for Economic Affairs, the Minister of Internal Affairs, and the Minister of Labour and Social Policy.

Covid-19 Dominates Election Campaign

The elections and the campaign before took place amid a second spike of Covid-19 infections that started at the beginning of June. Since then, the country has registered an average of about 130 new cases per day. One of the consequences was that turnout fell considerably to 51.3%. Unsurprisingly, the new surge of infections as well as the question on how to mitigate the negative economic effects were one of the main issues in the electoral campaign. The main opposition party VMRO-DPMNE, although present in the current caretaker government of Oliver Spasovski (SDSM), was heavily criticising the government's and especially Venko Filipce's (Minister of Healthcare) approach. VMRO-DPMNE demanded further restrictions, whereas the main government party Social Democratic Union of Macedonia (SDSM) argued that the steep rise was a result of mass screening, the detection of asymptomatic cases and of several epidemic clusters. In this regard, Covid-19 also led to a worrying deterioration of the relationship between the two largest religious groups in the country, namely Orthodox Christians (mainly ethnic Macedonians) and Muslims (mainly ethnic Albanians). Orthodox Christians criticised that family gatherings during Ramadan provoked many new infections. In addition, they felt discriminated against as newly adopted restrictions affected the festivities of a Christian feast in June.

A Divided Political Landscape

The political landscape in the country has been divided for many years. The division has been closely linked to long-time Prime Minister Nikola Gruevski (VMRO-DPMNE) and his controversial identity politics. Wiretapping scandals and large-scale protests against him in 2015 led to his resignation in January 2016. Still, at the parliamentary elections in December 2016, he and his party took the first place. Following closely behind, the secret winner was the SDSM led by Zoran Zaev, and he was able to form a coalition government with support from the Democratic Union for Integration and the Alliance for Albanians on 31st May 2017.

Blocked EU Negotiations

The main reason for the call for snap elections was the decision by the EU in October 2019 to delay the start of accession negotiations with North Macedonia. Even though the reports of the EU Commission recommended opening of accession talks with North Macedonia and Albania, especially France blocked the decision. Emmanuel Macron emphasized that the EU needed to reform its enlargement process first, before opening accession talks with new countries. In addition, Paris questioned the level of implementation of reforms in both states and argued for the possibility to reverse the process of integration if necessary.

Green Light by EU

Finally, after the European Commission had put forward proposals on a reform of the accession process (in general), France signalled willingness to change its position. On 24th March 2020, the Council of the EU gave a green light to opening of EU accession negotiations with North Macedonia and Albania. Another major step for the country happened on 27th March, when it became NATO's newest member.

Prespa Agreement

However, the non-decision in Brussels in October 2019 was a major blow for the government of Zoran Zaev and for the European ambitions of North Macedonia overall. For the sake of opening the accession talks with the EU, Zoran Zaev's coalition invested a lot, especially by changing the country's name. After a three-decade-long dispute with Greece, the governments in Skopje and Athens found a compromise. According to the Prespa Agreement, signed on 17th June 2018, the "Republic of Macedonia" had to change its name to "Republic of North Macedonia". In return, Greece accepted to support North Macedonia's EU and NATO

accession. Zaev also sought to normalize the relationship with Bulgaria, affected by differences over language, history and minority rights. On 1st August 2017, Zaev and his Bulgarian counterpart Boyko Borissov signed a friendship treaty in Skopje. The document binds Bulgaria to support North Macedonia's EU and NATO integration.

Not Valid Referendum

Domestically, the Prespa agreement and the renaming of the country were heavily criticized especially by VMRO-DPMNE. The government called for a non-binding referendum on the name change on 30th September 2018. 91% of the electorate voted in favour with a 37% turnout. Since the constitution requires a 50% turnout, the referendum was not valid. On 11th January 2019, 81 members of the parliament (more than a two-thirds majority) approved the constitutional changes regarding the renaming. Not only the deputies of the coalition, but also some opposition members of parliament voted in favour.

Ongoing Debate on Prespa Agreement

During the recent election campaign, Covid-19 pushed the renaming of the country in the background, which remains however a contentious issue. VMRO-DPMNE still questions the agreement with Greece. The issue popped up again Mid-February, when the Parliament majority of SDSM and its coalition partners dismissed Labour Minister Rashela Mizrahi from VMRO-DPMNE for failing to use the country's new official name during a press conference.

Reforms and Ambivalent Results

When the SDSM came into power in 2017, Prime Minister Zaev announced to reform the country in a different way – with “more democracy, more freedom, and more justice.” In May 2019, the European Commission recognized in its progress report the “taken steps to restore checks and balances and to strengthen democracy and the rule of law”. The Freedom House noted in its reports 2019 and 2020 a continuous progress in comparison to the Gruevski years, but recalled some critical issues, especially the country's struggle with corruption. This form of crime considerably threatens the judiciary system of the country was proven by the so-called “racket” extortion case in summer 2019. It involved not only one of the wealthiest businesspersons and a well-known journalist, but also the then Special Prosecutor, Katica Janeva. In June 2020, she was found guilty of misuse of office and sentenced to seven years in prison. The scandal also cast some shadows over Zaev's party.

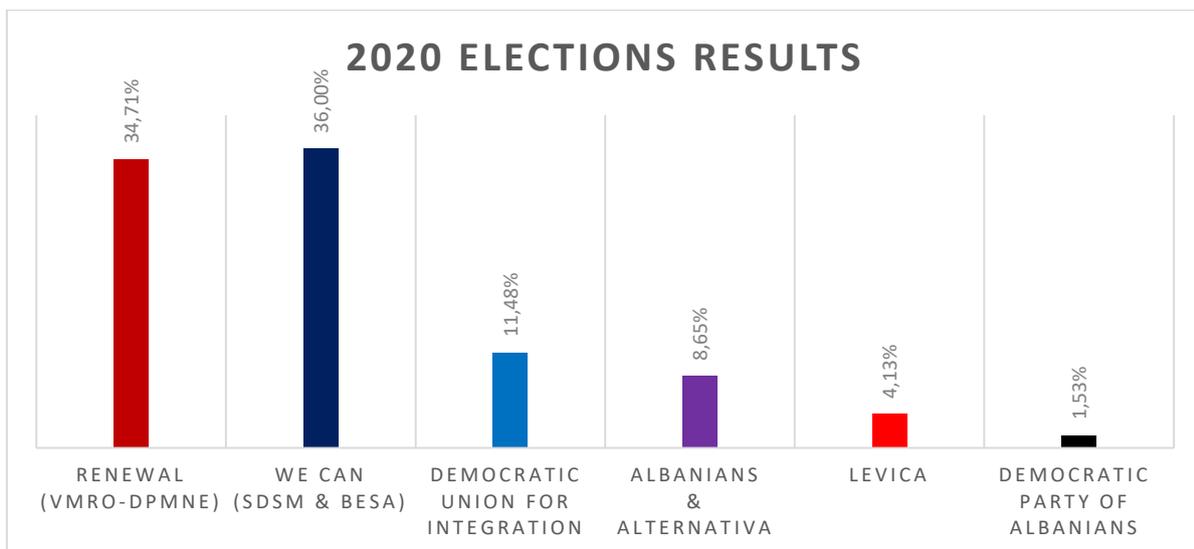
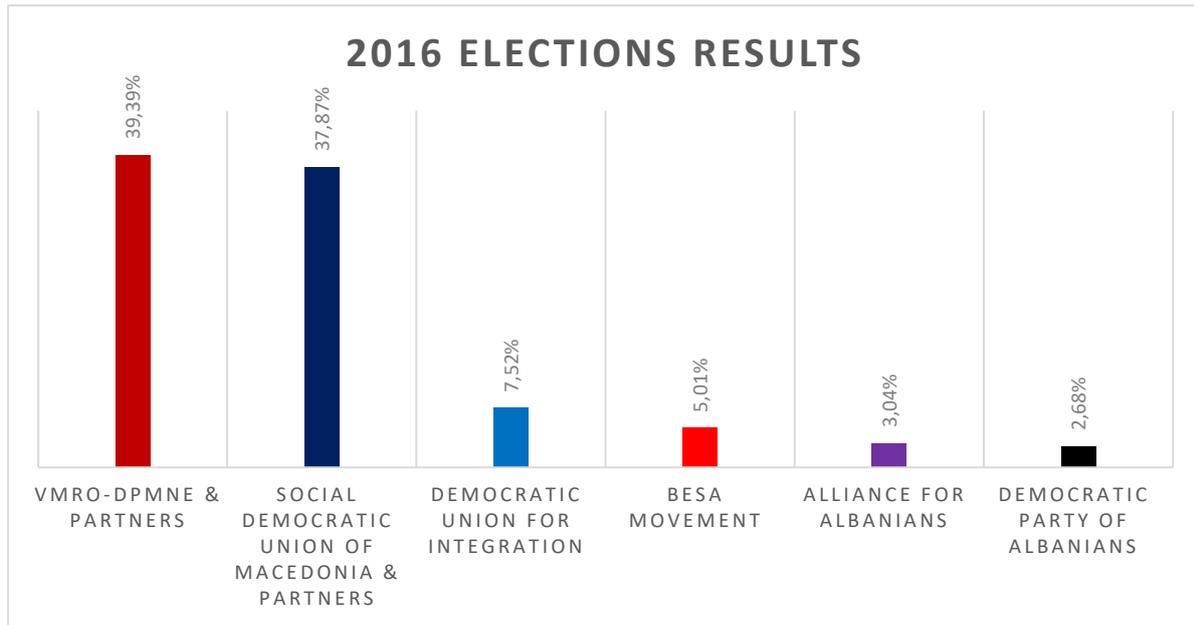
A positive element and a pre-condition by the EU for the start of accession talks was the adoption of the law on the prosecution. The law that was adopted mid-February 2020 increases the competences of the regular Prosecution Against Organised Crime so that investigations in high-profile corruption cases are pursued.

Economy before Covid-19

The North Macedonian economy performed quite well in the last two years: GDP growth was at around 3% or higher in 2018 and 2019. The unemployment rate went down from 24% in 2016 to 16.6% in 2019, but remained on a remarkably high level. In this context, it has to be borne in mind that hundreds of thousands of North Macedonians live abroad. Every year, around 20,000 people leave the country. In 2018, even more than 24,000 North Macedonians emigrated in search of a better job and life.

Mitigation of Negative Effects

Covid-19 changed the economic outlook dramatically: According to the European Economic Forecast spring 2020, issued by the European Commission in May, the North Macedonian economy will shrink by 3.9% this year. In order to mitigate the negative effects of the virus on the health system and the economy, the government took a wide range of measures. The third package, adopted in May, is to address the revitalization, economic recovery and stimulation of consumption and industry. The measures are quite similar to those taken in Central European countries such as Austria.



Preliminary results as of 17 July
Source: State Election Commission

Party	Main candidate	Political Ideology (Affiliation EP)
Renewal for Macedonia (led by VMRO-DPMNE)	Hristijan Mickoski	centre-right conservative, partly nationalist (EPP)
We can (led by SDSM, incl. the BESA Movement)	Zoran Zaev	centre-left, social-democratic (PES)
Democratic Union for Integration (DUI)	Ali Ahmeti	centre-right, Albanian minority interests
Coalition of the Alliance for Albanians and Alternativa	Ziadin Sela	centre-right, Albanian minority interests
Democratic Party of Albanians (DPA)	Menduh Thaçi	centre-right/right-wing, Albanian minority interests