



Weekly Briefing

Croatia Political briefing:

Croatia in 2018: a political year under review

Stability of government and HDZ despite crises

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Summary

This brief analyses situation in the governing political party in Croatia - Croatian Democratic Union – and the Croatian government in 2018. The goal is dual. The first one is empirical and serves to describe political dynamic in the governing political party in Croatia in the course of the year 2018. The second one is conceptual as it takes into account a trend of traditional political parties fragmentation in Europe and assesses if this trend can affect Croatia's Christian Democrats (HDZ; Croatian Democratic Union), as it already did affect Croatia's Social Democrats who have seen their party lose members, including elected Members of Parliament in the course of the year 2018.

Since the last parliamentary elections in 2016, the Croatian government gained political stability after a brief period (2015-2016) of political turmoil in which HDZ, who ran the 2015 government, had a Prime Minister who barely spoke the Croatian language and a party president who had to resign over corruption allegations, The current Prime Minister Andrej Plenkovic took over the party and led it to new elections which brought them into government. Ever since his victory as the party leader, however, Plenkovic has been contested within his party for taking more liberal and pro-European position on a number of issues, an orientation that seems to be opposed by many in his party. He, nonetheless, has managed to get out victorious from every battle in the two years he has been in power.

Introduction

The last parliamentary elections were in 2016 when the ruling party, HDZ gained 55 od 151 seats in Parliament. The second biggest party, SDP (Social Democratic Party) currently has 31 seats in the Parliament with several of his

former members leaving the party but remaining in the Parliament as independent. The Prime Minister Tihomir Oreskovic, who led the HDZ coalition government following the 2015 general elections, was only 146 days in the office. The former HDZ president Tomislav Karamarko resigned in 2016 following allegations for corruption.

At a moment, HDZ seemed almost ruined. To some it looked as if the shortest government in the Croatian history could deeply harm the HDZ, which has led 12 out of 14 Croatian governments since 1990. Andrej Plenkovic is the 12th HDZ Prime Minister Croatia has had in these 14 governments. Most Croatian Prime Ministers did not politically survive to have a second mandate. The only exception is Ivo Sanader who did win the second term but did not finish it. He resigned to be later accused, arrested, charged, tried and sentenced in the first instance rulings for corruption and embezzlement of public funds. Sanader is now in the process of several appeal procedures to the first instance court decisions.

After party elections held in 2016, Andrej Plenkovic took the reins of the party. As a career diplomat, Plenkovic was not widely known in Croatia's political arena. He has spent a significant portion of his professional life in different diplomatic missions abroad. One peculiarity of the Croatian top leadership at the moment is that the top three positions in the country – the President, the Speaker of the Parliament and the Prime Minister – are filled by former diplomats (Kolinda Grabar-Kitarovic, Goran Jandrokovic and Andrej Plenkovic), all three also from HDZ.

In addition to divergence of the Prime Minister with many conservative forces in the country, including the President, when it comes to a number of political and social issues in the country, the year 2018 will be remembered in Croatia as a year in which the economic hardships of the near bankruptcy of the largest Croatian company Agrokor in 2017 continued to be in the center of political debate in 2018. Problems of keeping afloat shipbuilding industry in

Croatia culminated in 2018, creating additional political burden for the Prime Minister.

Turmoil within the party

A serious crisis in the government and for the Prime Minister was resignation of the minister of economy Martina Dalic. She handled the Agrokor stabilization program which the Prime Minister claims was successful and without hesitation presents solutions linked to the Agrokor bailout as a success of his government. However, media released emails which compromised the minister of economy for wrongdoing during the Agrokor case. After a couple of months of the opposition in the Parliament requesting investigation and under growing public pressure, Dalic resigned in May 2018. The Prime Minister thanked her for her service, thus allowing her to leave with less political scars. In the course of six months or so, she wrote and published a book explaining the process of the government's saving of Agrokor (saving is the most common verb used by the government to explain its role in the Agrokor crisis), her role and the role of hired consultants. The Prime Minister attended the public promotion of the book, yet he also looked as if willing that the public forgets the whole Agrokor episode as soon as possible.

During 2018 one of HDZ high-ranking members left the party. One of the regional bosses in HDZ, Darko Milinovic gave his resignation in protest after the appointment of a new director of the Plitvice Lakes National Park because the selected director was not the choice of the regional HDZ office but was nominated in Zagreb by the central leadership. Darko Milinovic was the Minister of Health and Social Welfare 2008-2011 and is currently the head of Lika-Senj County. For more than 20 years, he was on Croatia's political scene and one of the leaders inside HDZ. For a short while, it looked as if his resignation would disturb HDZ and cause deeper instability in the party, but this did not materialize. The ensuing weeks showed that this turmoil was of a brief

character and party business went into its normal mode quite quickly. In other words, things went fine without Milinovic in HDZ ranks.

Gossiping and shy indications that the Prime Minister faces the highest threat from within the party culminated at the end of 2018 in the accusations of an orchestrated operation within the state administration to implicate the Prime Minister in a scandal related to false text messages. Police investigation, after apprehending Franjo Varga and Blaz Curic, accused that they fabricated messages between Zdravko Mamic, a football mogul, and the former chief state attorney Dinko Cvitan, led to Milijan Brkic who is currently one of Deputy Speakers of the Parliament and a Deputy President of HDZ. Brkic's network of trustworthy contacts led to revelation of possible crimes intended to indirectly implicate the Prime Minister. This was revealed during the investigation of Zdravko Mamic, the president of the football club Dinamo, for financial crimes. The Prime Minister gave calming public statements, saying that he would wait for the results of the investigation. Brkic is believed to be a leader of the opposition within HDZ, but both men publicly send messages of stability within the party. This is giving results for the time being as HDZ does not seem to lose rating in opinion polls despite different problems it is facing.

The text messaging investigation, however, led in November 2018 to the security advisor of the President, creating room for different theories, including her role in alleged preparations for a coup against the Prime Minister. The President sent an open letter to the Prime Minister rejecting all accusations and requesting a meeting of the National Security Council. The Prime Minister, however, replied that the meeting would take place when the agenda for the meeting is fully set, thus rejecting her request for a speedy meeting.

Pressure to HDZ and the government from the opposition (despite being weak)

It seems as if the opposition in Croatia is weaker than ever before. There were just few attempts to bring down the leading party and few politicians are

trying to bring something new in politics. Most of the opposition parties have less than ten percent of public support and in reality cannot bring down the HDZ unless they unite. SDP could be a real opposition party but its internal problems and disorganization are disabling the opportunity to gain the power in the Parliament.

In October, the opposition delivered a claim for the recall of the Minister of Health, Milan Kujundžić of HDZ. They found 52 reasons where the minister failed to improve healthcare in Croatia. They claimed that he aggravated the situation in health care. In the heated debate in Parliament, one of the representatives of MOST (The Bridge), Ivana Ninčević Lesandrić, described her curettage procedure at the Split Hospital as inhuman. The Ministry got many complaints for other hospitals in Croatia and the NGOs were demanding improvement of health care in Croatia, especially in the cases of female reproductive health care. After the vote, Milan Kujundžić gained enough support and stayed in office. His party and coalition partners gave him support and the stability in the lines of HDZ remained. Croatian health care is still one of the main issues, medical doctors are seeking employment outside Croatia and health sector reforms seems truly necessary. A law about health care privatization has been announced without parliamentary discussion and according to what is known about the draft, the future health protection of poorest citizens is questionable.

It seems that one of the highest political issues in Croatia, along with the rise of far right discourse about migration and the threats migration is presented to pose to a small country, is a fear of other kind. It is a fear of a considerable shrinkage or even extinction of a nation, as some commentators warn, by the end of this century. These bleak scenarios are the results of the fact that not only medical doctors and nurses, but engineers, IT developers, drivers, cooks, caretakers, kindergartner teachers, florists and people of basically any profession are leaving the country. While in the past emigration was temporary, usually by unskilled males from underdeveloped areas who left to work in Western Europe

on a temporary basis, the emigration trend today is that it is young people or whole young families, educated and from urban (as well as rural) areas who are leaving permanently. Thus, not only is Croatia losing current population, but it is losing a potential of those who could be born were their parents to stay in the country. How the demographic decline coupled with the aversion to immigration, if Croatia wants to be prosperous and sustainable, are going to be reconciled remains to be seen.

Conclusion

According to the polls, every political party is losing support of the voters. SDP members in the Parliament are resigning and becoming independent. In the lines of other, smaller parties, there were even bigger disagreements. It seems that Plenkovic and his government, despite constants pressure from different angles – political, economic, social issues and foreign policy challenges – are successfully avoiding ambushes. 2018 was the year of relative political stability in Croatia and clear political stability for HDZ. Opposition was, in 2018, incapable to offer an alternative to the citizens. As it looks now, the 12th HDZ government and the 12th HDZ stands good chance to survive until the general elections in 2020.

Yet, as European and broader global trends come to Croatia with slight delay (as was the case with the global financial crisis as one example), it is likely that a trend of weakening of traditional political parties that we witness across Europe will affect Croatia even more significantly in the future than it seems observing the situation in SDP today. Yet, once again, the delay may be such as to allow this current government to finish its mandate. A word of cautiousness is worthy though – nothing should be predicted in politics.

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