

SERBIA'S EUROPEAN FUTURE: TOO CLOSE TO CALL

1) After the first round of the presidential election on 20 January, the prospects for Serbia's European future look as precarious as they have ever been.

Results of the first round*

Registered voters	6,702,018	
Turned out to vote	4,091,371	61.0%
Invalid votes	80,610	2.0%
Valid votes	4,007,953	98.0%
Nikolic (Radical)	1,612,612	39.4%
Tadic (Democrat)	1,448,912	35.4%
Ilic (NS-DSS)	310,751	7.6%
Mrkonjic (Socialist)	245,426	6.0%
Jovanovic (Lib-Dem)	230,634	5.6%
Pasztor (Hung.minority)	89,303	2.2%
Karic (wife of tycoon)	40,372	1.0%

* CeSID (Centre for Free Elections and Democracy, Belgrade) estimates: www.cesid.org

Not unexpectedly, the Serbian Radical Party candidate, Tomislav Nikolic, beat incumbent President Boris Tadic (by 39.96 per cent to 35.41 per cent according to the official provisional results, which differ slightly from the CeSID estimates used in the table above). **What was much more surprising was the high turnout**, which at just over 61 per cent was the highest in any election since the overthrow of Milosevic in October 2000. This may look like good news, insofar as Serbian voters are clearly alert to the importance of the issues at stake.

Yet there are several deeply sobering implications. Firstly, most analysts have hitherto assumed that a high turnout would favour Tadic, but this does not seem to have been the case. In fact the gap between the two – 4 percentage points according to CeSID estimates, 4.5 points according to the official provisional results – is higher than the 3 point gap between the two in the first round of the 2004 presidential election, when turnout was 47.7 per cent. Votes for Nikolic (over 1,600,000) have risen by 200,000 over his 2004 result, and by half a million over his party's result in last year's parliamentary election. Nikolic has proved able to gather more votes from smaller parties and from traditional abstainers. **In other words, the higher turnout reflects further radicalization of Serbian society – or at least, profound alienation from the post-Milosevic 'democratic' political elite - rather than a surge in democratically-inspired civic responsibility.**

It is also significant – given that the Democratic Party enjoys stronger support in urban than rural areas - that **Tadic was beaten by Nikolic in Belgrade and every major town in Serbia**, with the exceptions of Novi Sad (interesting, given that the city mayor is a Radical), Subotica (a town with large Hungarian and Croat minority populations) and in the Sandzak.

Tadic is most unlikely to be able to repeat his 2004 performance, when he overtook Nikolic in the second round and won by a fairly comfortable 6 point margin. This time, the candidates will be fighting for every vote. It is exceptionally difficult to predict the result – except that it will be very close. Tadic may lose.

2) What will determine the final result on 3 February?

In 2004, Tadic benefitted in the second round from the transfer of votes from numerous weaker candidates representing smaller, more-or-less democratic or at least definitely anti-Radical voters, and from slight rise in turnout. This time, Tadic can expect the support of the vast majority of first-round voters for Ceda Jovanovic (if they vote) and the Hungarian minority candidate, Istvan Pasztor. But these will not be enough for him to overtake Nikolic, and Tadic's additional reservoirs of second-round voters are both smaller and/or less reliable than before.

Will the turnout rise even higher in the second round, or will it fall back? And which candidate would stand to benefit in either case? My hunch is that the abstainers now are mainly of the traditional, rural, and less educated sections of the population, who, if they decide to vote at all, will mostly opt for Nikolic. The Albanians of the Presevo valley traditionally boycott Serbian elections and this will not change (although a Nikolic win could even be seen as strengthening the case for Kosovo independence). Hardly any disaffected democratic abstainers – mainly young people - are likely to be available for the second round. These were probably all swept up by the young, charismatic Liberal Democrat candidate, Ceda Jovanovic, who did well, drawing more votes than his party did in last year's parliamentary election.

Received wisdom is that Kostunica will once again be in the 'kingmaker' determining the final result. However, it is not clear to me that, even if Kostunica does decide to offer his backing to Tadic (which is not yet certain, and will be lukewarm at best), he actually has that many votes to deliver. In the first round, Kostunica put his weight behind Velimir Ilic, with whom he stood in electoral coalition in the parliamentary election. But Ilic's results were very poor – only 7.41 per cent, or less than half what their electoral coalition won last year. And will Kostunica's (and Ilic's) voters heed their leaders' advice anyway? Many of Kostunica's voters, who view the vulgar Ilic with distaste, probably already decided to cast their vote for Tadic in the first round, or to abstain. The larger part of Ilic's voters can be expected to switch to the Radicals or abstain, rather than vote for Tadic (despite the fact that Ilic is a minister in the current coalition government in which Tadic's Democrats are the largest party).

Tadic risks losing more votes than he gains by doing some unacceptable ‘deal’ with Kostunica to win his backing. Many voters for Jovanovic, as well as a certain section of Tadic’s own Democratic voters, will be dismayed at the news that broke on 22 January: the DS finally agreed to Kostunica’s proposed deal to sell NIS (Petroleum Industry of Serbia) to Gazprom, without tender and at an allegedly bargain price, as part of a package energy agreement with Russia.¹ The proposed NIS sale has been criticised by some experts and analysts as not only intransparent and not in Serbia’s best interests, but also possibly illegal. G17 Plus leader, and Minister of the Economy Mladan Dinkic (who has firmly backed Tadic’s presidential bid from the start) also clearly has profound misgivings about it. Furthermore, Jovanovic and his voters will be watching carefully how far Tadic concedes to Kostunica on Kosovo – especially how he tackles Kostunica’s demand that Tadic agree to rescind the installed SAA if the EU deploys its planned mission in Kosovo.²

It may turn out that the Socialist Party is also ready to play the ‘kingmaker’. Socialist leaders may find little gain in backing Nikolic and his party, which they see as having ‘stolen’ a large part of their traditional voters; and they may be ready to help Tadic out, if only tacitly. But this will come at a price. Many socialist voters are ideologically averse to the Radicals’ ‘Greater Serbia’ nationalist rhetoric. But if Nikolic continues in the second round, as he did in the first, to play down the extremist rhetoric, play on the generalised resentments of transition losers, emphasise bread-and-butter issues, and cultivate his folksy image, he will secure their support.

3) What is really at stake – from Serbian voters’ perspective?

Leaving aside these arithmetical imponderables, let us consider the broader context in which voters are making up their minds. What is this election actually about *for them*? Is it about Kosovo, as many analysts have assumed? The looming denouement of the Kosovo status process cannot but overshadow the whole election, but in fact it has (so far) been kept off the campaign agenda, and differences between the explicit positions of the candidates on this issue are slight. **This suggests the candidates recognise that voters don’t really care that much about Kosovo and/or don’t believe either Tadic or Nikolic can or should do anything about it.**

Instead, the leading candidates are offering competing narratives about the election. Tadic’s camp tells the voters that it is ‘**really a referendum on Serbia’s European future**’. They argue that opinion polls show about 70 per cent in favour of Serbia joining the EU, and that choosing Nikolic could mean a return to the isolation of the 1990s. Implicitly Tadic is telling voters that he will not let Kosovo get in the way of EU integration. **Nikolic, on the other hand, argues that the voters want ‘change’, and he is the one who will bring it.**

¹ See *VIP Daily News Report*, no.3765, 23 January 2008.

² See *VIP Daily News Report*, no.3766, 24 January 2008.

Which will be the more credible and appealing to the wavering voters who will decide the election? Will a vote for Tadic really bring faster EU integration than the snail's pace of the past several years? Do the undecided voters really want that sort of change anyway, or do they rather fear it? Does the threat of 'isolation' really worry them that much? Would they be more isolated from the EU under a Nikolic presidency than they are, in practice, today? Many believe Serbia is too important for the EU to leave out, and some see Russia as a 'better friend' than the EU to Serbia. If threatened with 'isolation from Europe', they will be more likely to vote for Nikolic anyway. **The temptation of voting for 'change' will be hard for such voters to resist. This will be a vote not so much for Nikolic, as against the disappointments, frustrations and privations of the whole post-Milosevic period – for which Tadic bears his own share of responsibility.**

4) What can, or should, the EU do?

The EU has very limited capacity to influence the outcome of the second round in favour of Tadic. The key question that has exercised EU policy-makers is whether the SAA can be signed with Serbia now, before the second round. Leaving aside the implications for the moral credibility of EU conditionality on ICTY, **the likely impact of SAA signing on the voting intentions of key undecided voters (and perhaps on most Serbian voters) should not be exaggerated.**

Moreover, signing the SAA at this point could backfire against Tadic. Kostunica has already tried to exploit the SAA to undermine the credibility of the Democrats' commitment to Kosovo. Nikolic would surely do the same.

Even if the EU were to decide to sign the SAA now, ratification in the Serbian parliament cannot be taken for granted, so it is not clear what would be gained for the 'European' cause.

Probably the most effective card the EU has to play is Commissioner Frattini's visit to Belgrade on 30 January to launch negotiations on lifting the visa regime. It is to be hoped that this will be exploited skilfully and to the full. There is no better way of convincing Serbian voters that the EU really does care about their fate than making a firm commitment to lifting the visa regime, conditioned only on Serbia's meeting clear and understandable *technical standards* (which would be understood in a positive way by Serbian public opinion, deeply sceptical when the EU talks about *conditions*). **Any suggestion that this process is dependent on the outcome of the presidential election should scrupulously avoided.**

The EU should place the greatest emphasis on its friendly intentions towards the people of Serbia and its respect for their eventual choice of leader. Advancement toward the EU does not depend on who is in power, but on what they do when in power.

5) What difference will the outcome make?

There can be no doubt, from the EU's point of view, that re-election of President Tadic is by far the preferable outcome. Nevertheless, it is worth speculating briefly on just how much, and where, the outcome of the Presidential election really matters.

For Serbia:

Even if Tadic does manage to scrape through to victory, Serbia's path to EU integration will remain strewn with political obstacles. Fulfilling ICTY conditionality is not likely to be any easier than it has been hitherto, and may become more difficult if Tadic has to do a deal with the Socialists to secure their help in the second round. Even if the SAA were to be signed, parliamentary ratification is very likely to become entangled with the Kosovo issue, in particular with how Serbia should treat the question of the EU's planned mission.

Whoever wins the Presidency, the key question will be how long the chronic crisis at the heart of the Serbian government – the fraught relations between Tadic's DS and Kostunica's DSS – can be contained. Clearly it would be preferable to have Tadic at the helm rather than Nikolic when the government crisis finally erupts.

Minority issues within Serbia would be exacerbated by a Nikolic victory. This would, with reason, deeply worry the Hungarians, Sandzak Muslims and Albanians, and so could provoke tensions, including a radicalization of minority demands for 'autonomy', if not separatism, in Serbia's regions.

For Kosovo:

Whoever wins the Presidency is constitutionally bound to uphold the territorial integrity of Serbia and, in particular, to safeguard Kosovo's eternal place in it. Thus a re-elected President Tadic would keep to his vow never to recognise Kosovo independence. If and when the latter comes to pass, Tadic would clearly be a more reassuring figure as President, from the EU's point of view, than Nikolic. Nikolic as President would find his options constrained: the President is formally in command of the armed forces, but Serbia's top military have undergone significant change and have rejected any prospect of military intervention in Kosovo. The Minister of Defence (for as long as the current government stands) is in the hands of the DS. It can be expected that Nikolic would attempt an **economic blockade** on Kosovo (already proposed by Kostunica's DSS), which, together with his predictable inflammatory bluster, would be very destabilising for Kosovo and would put the Serbian communities at risk. Whether and how long an embargo could be sustained in the face of Serbia's own business interests in trade with Kosovo is unclear.

For the region:

In the event of Kosovo independence, Nikolic is committed, as President, to break off diplomatic relations with any neighbouring Western Balkans countries that recognise it (a threat already raised by Kostunica's DSS). Again, Serbian self-interest in maintaining regional trade and other links may affect how and when this move is made. But if it were implemented, the **FYR of Macedonia** would, politically, find this most difficult to handle.

The FYROM government has made clear its readiness to recognise Kosovo and would find it hard to delay, still more to back down, in the face of its own Albanian community's expectations.

A Nikolic victory, paradoxically, could help stabilise **Bosnia-Herzegovina** by weakening the Belgrade-Banja Luka nexus. Republika Srpska Prime Minister Dodik has firmly nailed his colours to Tadic's mast, and openly admits a Nikolic victory would weaken RS's position in BiH constitutional reform by resuscitating the bad image of Serbs from 1990s that RS is trying to leave behind. This could also put in question the viability and legitimacy of the recently concluded 'special relationship' agreement with Serbia. Nikolic, in return, has called Dodik a 'provincial idiot'. But he can rely on Dodik to block BiH recognition of Kosovo – although the Bosnjaks themselves are not keen to recognise Kosovo anyway, in view of the possible parallels with the RS position in BiH.

The negative impact of a Nikolic victory on Montenegro should not be overlooked. It would put new wind in the sails of the more radical of the local Serbian nationalist parties, ever ready to question Montenegro's decision for independence in 2006. The current Montenegrin government is acutely sensitive to the issue of recognising Kosovo for Montenegro's internal stability. Hitherto, the government has skilfully balanced between the aspirations of the majority of Montenegro's citizens for EU integration, the anti-independence and pro-Belgrade sentiments of many of the large (30 per cent) minority of Serbs, and the demands of the Albanian minority, small in numbers (5 per cent) but loyal to independent Montenegro and often a useful support for the government at key political junctures. On a more positive note, on the other hand, a Radical triumph in Belgrade could prompt the more pragmatic Montenegrin Serb voters to return to supporting the (mainly Serb but non-nationalist) Socialist People's Party, and provide some impetus to the formation of a centrist coalition with the Movement for Changes, whose leader is a strong candidate in this year's presidential elections, the first serious challenge to the long stranglehold of the Democratic Party of Socialists on the reins of power in Montenegro.