



## **Serbia's New Government: A Marriage of Convenience**

**July 8, 2008**

A new government has now been formed in Serbia, eight weeks after the snap elections of 11<sup>th</sup> May, which were called following the collapse of the previous coalition over the divisive issues of Kosovo and the EU. This latest coalition consists of an ensemble of political parties, central to which is the unlikely partnership between the Democratic Party (DS) of President Tadic and the Socialist Party (SPS) of Ivica Dacic. Although closet negotiations and even agreement between the two parties were rumoured to have taken place before the election, many are still viewing the alliance as strange, given the conflicting histories of the two parties. But the coalition agreement has now been signed, sealed and delivered, with Serbia now waking up to a government based on a marriage of convenience between two parties which, if they play their cards right, can be beneficial to both.

In many ways, the new coalition marks the end of an era; that of the reign of Vojislav Kostunica. The turbulent relationship between Kostunica and Tadic, which has characterised Serbian politics to the detriment of progress, is now thankfully at an end. This has created an opening for the new government to exploit; an opportunity for a new found consensus between Prime Minister and President, with the backing of coalition partners keen on moving towards the common goal of EU membership. But at the same time, the new government will be forced to face a united and formidable opposition anchored around the former Prime Minister's Democratic Party of Serbia (DSS) and Serbia's second largest party, Tomislav Nikolic's Radicals (SRS). They will also face challenges necessitated by the sheer number of its members<sup>1</sup>, alongside potential difficulties arising from internal disputes or possible spats brought on by conflicting egos or policies of the many partners involved. Meanwhile in Brussels, the EU awaits with baited breathe for this coalition to succeed where all others have failed.

### **Kostunica fails at coalition building**

The decision of SPS to build a government with the DS-led 'For a European Serbia'<sup>2</sup> caused disbelief for many who saw their natural place to be among the policies of DSS<sup>3</sup> and SRS. The stated reasons were disagreements over pension reform and the EU. But at the core of the decision, three main factors seemed to take precedent. Firstly, SPS is itself a coalition of three parties, one of which United Serbia (JS), has been vocal in its support for the SAA. Its leader, Dragan Markovic 'Palma' even supported Tadic in the Presidential run-off in February. This meant SPS as a partnership of three parties, was more inclined to back a DS-led government, than one commanded by a Euro-sceptic DSS

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<sup>1</sup> A total of 10 parties are included in the coalition agreement, not including LDP which may offer additional support. They are DS, G17+, SPS, PUPS, SPO, SDP, SDA, JS and LSV.

<sup>2</sup> 'For a European Serbia' included DS, G17+, SPO, LSV and SDP.

<sup>3</sup> DSS runs together with Velimir Ilic's New Serbia (NS). For simplicity, this paper will refer to DSS/NS as DSS.

and SRS. Secondly, Dacic no doubt realised that his traditional base of elderly voters is on its last legs and was forced to look at modernising the party in the hope of widening their appeal among younger voters. To align themselves with the losers of the election and continue on a backward path of populist rhetoric would not help SPS move away from its Milosevic and war-laden past. The only real chance for SPS was to support the forward-looking route to Brussels. Lastly, for President Tadic there was no better option. The drive to keep Kostunica out of office was possibly a greater incentive for the President, than keeping SRS out of government. The temptation to rid Serbia of the negative influence of the former Prime Minister, along with toxic ministers such as former Kosovo Minister Slobodan Samardjic, out-weighed any moral unease in dealing with SPS.

### **DS and SPS: strange bed fellows**

From a distance, the combination of DS and SPS seems a strange one. DS members, along with its 'For a European Serbia' partners, formed a large part of the anti-Milosevic opposition of the 1990s. The central role of Zoran Djindjic in securing the extradition of Milosevic, as well as sharp divisions over ICTY has defined relations between the blocs. Certainly SPS rank-and-file may not be so keen on dealing with those same people who extradited their beloved Milosevic, but the majority of the upper echelons of the SPS seem to understand what is at stake. At the Main Party Committee meeting last week, 245 out of 258 members voted in favour of joining a DS-led coalition<sup>4</sup>. This must surely denote a change of heart. But can a leopard ever really change its spots, especially on the central issue of ICTY?

President Tadic told the recent meeting of the Socialist International "I want to share with you my conviction that the SPS of today...shares the values that unite us all in this room. And I want to add...that the judgements of history do not determine the future. For otherwise there would never be room...for reconciliation."<sup>5</sup> Certainly for many democrats, the need to believe is critical, as is the wish to reconcile. But this need is greater for SPS. It is an opportunity for the party who was largely responsible for the isolation and war Serbia faced during the 1990s, to rebrand itself and formulate a new identity within an EU-orientated government. Put simply, its survival instincts have won out. But with their leader Dacic placed in the controversial position of new Minister of Interior, the question is now being asked whether they will follow this route of rebranding, or whether SPS will continue past policies to block progress towards ICTY cooperation; a high risk move which could be the decisive factor in keeping this marriage together.

### **Ministerial Divisions: Tadic seeking a stronger role**

The new government is being led by a former World Bank expert and technocrat, Mirko Cvetkovic. His appointment by Tadic is an indicator of the style of government which Serbia can expect. There will undoubtedly be a new consensus between President and Prime Minister, but the relationship is more likely to be defined by Tadic's control over Cvetkovic, with the help of his friend and coalition partner, G17+ leader Mladjan Dinkic. Cvetkovic will lead a cabinet of 24 members, with the majority of seats firmly in the hands of Tadic-sympathisers. The choice of Goran Bogdanovic as new Minister for Kosovo is highly significant, due to his past as a non-boycotting deputy in the Albanian-dominated Pristina Assembly and his close alignment to moderate Kosovo Serb leader Oliver Ivanovic. In addition, the inclusion of both Rasim Ljajic and Sulejman Ugljanin in the cabinet is success indeed. But this may prove a risky strategy if their conflicting views on how Serbia's Bosniaks should be treated, diverge further. Likewise, the government is counting on the support of Cedomir Jovanovic's Liberal Democratic Party

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<sup>4</sup> <http://www.europeanvoice.com/article/2008/07/3005/inviting-the-butcher-s-sons-to-the-party/61465.aspx>

<sup>5</sup> <http://www.balkaninsight.com/en/main/news/11477/?tpid=145>

(LDP), although this is likely to prove dependent on reconciling Jovanovic's hatred towards SPS.

It would be easy to look at this complicated constellation and see the increased likelihood of a weak and fragmented coalition under pressure from difficult policy decisions and internal splits. However, the signs point to a real possibility for this government to last. If Tadic and Dinkic can together keep a tight grip on the different parties involved and focus the government's attentions on economic and social policy, in sync with movement towards EU candidate status, the risks can be minimised. But Tadic must prove he is capable of strong leadership; a doubt many critics have raised before. Although true stability may not be achieved, a steady consistency based on the shared goal of EU membership is possible, with the inevitable bumps along the way. Dacic's role in this will be central. Tadic and Dinkic must make use of some damage limitation in terms of ICTY, placing their own people in BIA structures and possibly taking responsibility for any further indictee arrests. It may prove enough for Dacic to keep quiet on ICTY, leaving the tough decisions to others.

### Significance for the EU: Time for action

The formation of the new government is highly significant for the EU. Despite the challenges it will no doubt face, the composition of the coalition is a good result for Brussels. Significantly this represents a clean break with the politics of Kostunica. Likewise, the EU should be pleased that their tactics of favouring a DS-led coalition by offering incentives such as visa-free travel, greater economic and trade rights and the signing of the SAA, worked<sup>6</sup>. But Brussels must now convert these promises into reality. When Prime Minister Cvetkovic laid out the new government's agenda<sup>7</sup>, he stressed Serbia's wish to be given EU candidate status by the end of this year or the beginning of 2009. This is only realistic if the ICTY problem can be solved which is likely to be dependent on Serbia itself, or its neighbours. With Dacic in the driving seat, it seems unlikely that this will transpire, although again, with direct pressure from the EU, some progress may be made<sup>8</sup>. Regardless of internal politics, Brussels should keep up the pressure on Belgrade, but follow through with concrete changes to visa liberalisation and trade agreements. Empty promises will only harm the government.

### Conclusion

Divisions over the issue of the EU caused the downfall of the previous government. It is now with delight that many in the international community see the very same issue as the driving force behind a new coalition, despite reservations over both the inclusion of SPS and Tadic's ability to be a strong leader. The new government offers a chance for Serbia to overcome some of the divisions of the past; a process desperately needed. Although expectations should not be placed too high, the fact that an opportunity exists even for a minor reconciliation is good news. Will the coalition make the distance? They face a strong and united opposition, the divisive issue of ICTY, the effort of reconciling internal cleavages of Bosniaks, Liberals and Socialists and the huge challenge of obtaining EU candidate status. But conversely, they will enjoy support from Brussels and other Western capitals, full control over the economy and a common goal of EU membership. Doubtless the new coalition will have to work hard to stay united in order to make sure this marriage of convenience does not end in a messy divorce. But the benefits of convenience may eventually win out.

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<sup>6</sup> See Pontis paper: 'Serbia and the SAA: A Bitter Pill to Swallow'. 7<sup>th</sup> May 2008:  
[http://www.nadaciapontis.sk/tmp/asset\\_cache/link/0000019051/080507\\_SerbiaEU\\_TheSigningOfTheSAA.pdf](http://www.nadaciapontis.sk/tmp/asset_cache/link/0000019051/080507_SerbiaEU_TheSigningOfTheSAA.pdf)

<sup>7</sup> <http://uk.reuters.com/article/oilRpt/idUKL0772504420080707>

<sup>8</sup> The daily 'Dvenik' hinted that Ollie Rehn would like to see Serbia a candidate country before the end of 2009, even suggesting Belgrade should submit their application in October of this year. See:  
[http://www.b92.net/eng/news/in\\_focus.php?id=96&start=0&nav\\_id=51705](http://www.b92.net/eng/news/in_focus.php?id=96&start=0&nav_id=51705)