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Early Elections in Croatia with Uncertain Outcome

Following the Country's (Initial) Triumph over the Corona Crisis, Croatia Is Set to Have Parliamentary Elections on 5 July.

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Although the spread of COVID-19 has been stopped in its tracks, the risk of a second wave in autumn remains. The election of a new parliament in Croatia should have taken place only in September 2020. But parliament was dissolved in May 2020, and the date for new elections was scheduled for 5 July. The reason cited by the government is a desire to avoid the virus potentially jeopardising the holding of elections. The opposition, on the other hand, suspects the main reason behind this to be the government's favourable poll ratings during the fight against the pandemic. Croatia is therefore entering into a heated, yet short, electoral campaign. In the meantime, polls indicate that the election outcome is by no means clear-cut.

Voting System

Parliamentary elections in Croatia are subject to proportional representation, in which nominating entities (mainly parties), draw up groups of candidates as ordered electoral lists. Seats are allocated according to the *D'Hondt* method, and the electoral threshold amounts to five per cent.

Representatives are elected to the Croatian parliament (Sabor) in twelve constituencies (see Figure 1) for a four-year term. The constituencies each consist of two counties, of which there are 20 in Croatia, with the city of Zagreb belonging to the corresponding county, as well as a constituency for the diaspora and a constituency for the minorities (Serbians, Italians etc.).

Voters can only choose one list. Since the parliamentary elections in 2015, they have been able to cast a preferential vote to a candidate from this list. If a candidate achieves more than ten per cent of these preferential votes in proportion to the candidate above them on the list, they move up the list according to the party's result (it is type of cumulation as is commonplace in Germany during local elections such as in Bavaria and Hessen). Should two candidates receive the same amount of votes, the list sequence is the decisive factor.

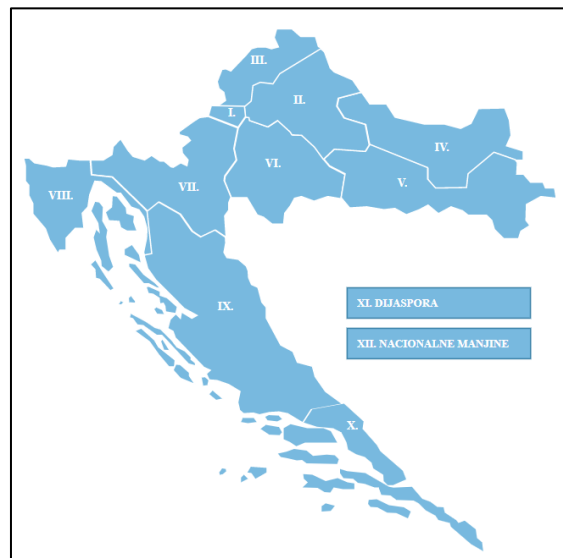


Image 1: Constituencies of Croatia. Source: <https://www.sabor.hr/hr/zastupnici/izborne-jedinice>

Regular parliamentary elections are held every four years. The President of the Republic (currently *Zoran Milanovic*, Social Democrat), convenes the newly elected parliament for its first session. He/she then appoints someone to form a government who, according to the allocation of seats in the Sabor, has the opportunity to gain the confidence of the majority of its members through negotiations. At

least 76 mandates are necessary to form a parliamentary majority.

The Most Important Parties

HDZ – Croatian Democratic Union

The Christian democratic national conservative HDZ has been the ruling party in Croatia since January 2016. The former MEP and pro-European *Andrej Plenkovic* has been party leader since July 2016, and Prime Minister since October 2016. Following two failed coalition governments of the HDZ with the national conservative MOST within a period of two years, in summer 2017 the HDZ formed a coalition with a left-wing liberal party for the first time, namely the HNS (former coalition partner of the SPD). This attracted accusations that party leader *Plenkovic* was thus alienating part of the national conservative voters, who became even louder in the wake of disappointing results at the 2019 European elections. It was soon followed by the defeat of *Kolinda Grabar-Kitarovic*, the incumbent President of the Republic and the HDZ-backed candidate, during presidential elections in January 2020. As a result, internal-party critics reproached the Prime Minister and party leader for the party's failure to recognise the message of the electorate, and called for a change in policy. After some wrangling, the national conservative camp agreed on the former Foreign Minister *Miroslav Kovac* as candidate for party chairmanship at the internal party elections in March 2020, which were organised as a member poll. He was clearly outperformed by *Plenkovic*, however. On the whole, all candidates he supported for leading party offices were victorious. The HDZ still faces the challenge of successfully navigating its way between a moderate Christian democratic party and its national conservative tendencies.

SDP – Social Democratic Party

The Social Democratic Party SPD has been in opposition since 2015. After being defeated during parliamentary elections in 2016, *Davor Bernardic*, hitherto leader of the SPD in Zagreb, took over party leadership. This triggered political infighting, since supporters of the former Prime Minister and party leader *Milanovic* did not agree

with the election of *Bernardic*. In turn, it led to a major loss in support from voters such that the SPD even temporarily lost its status as second strongest party and was overtaken by the populist *Živi zid*, which has now, however, become completely fragmented and thus no longer plays a role.

The turning point was heralded by the 2019 European elections, during which the SPD won the same number of seats as the ruling HDZ. The surprising decision taken by the party leader *Bernardic*, to include his critics among the candidates on the electoral list, ensured renewed support. The SPD knew how to exploit this momentum in the electoral campaign of their candidate *Milanovic* during the presidential election. So it came to pass that the former head of government beat the incumbent President *Grabar-Kitarovic* in the second round of voting. From this point onwards, until the beginning of the Corona Crisis, the SPD overtook the HDZ in voter polls. In the run-up to upcoming elections, the SPD led a coalition named RESTART coalition, which consists of the SPD itself and a series of smaller left-wing liberal parties.¹

The Homeland Movement of Miroslav Skoro

The Homeland Movement of *Miroslav Skoro* came into being after his electoral campaign in the last presidential elections, in which he almost succeeded in entering the second round of elections. The singer and former member of the HDZ, had placed an "alliance with the people against the rule of party political elites" at the centre of his programme. He levelled criticism against a system controlled by parties in which HDZ and SPD together with their respective partners share power, and continued to warn against a possible future grand coalition. Despite his defeat in the first round of elections, the campaign was deemed successful. *Skoro* therefore positioned himself as a potential mouthpiece for the national conservative electorate. This meant he earned the support of influential right-wing opinion makers and various national conservative parties. The Homeland Movement was founded in late February 2020, which has now been joined by a number of smaller national conservative parties and *Skoro*,

as well as other former members of the HDZ.² As the third strongest option, the Homeland Movement hopes to play the role of kingmaker.

The Failure of Previous Third Options

The last few years have witnessed two parties attempt to establish successful third options. MOST emerged as a cross-ideological alternative to the perceived dominance of HDZ and SPD. In its electoral campaigns, the party emphasised economic and rule-of-law issues, which engendered good results beyond the ten per cent threshold at parliamentary elections in 2015 and 2016. With 19 representatives, they twice entered into short-term coalitions with the HDZ. Subsequently, they became ever more critical of the ruling HDZ and often seized upon national conservative issues. Thus, MOST attempted to gain influence even among national conservative voters of HDZ, who were considered to be disappointed. Despite this, their erstwhile political relevance dramatically decreased. They remained under the electoral threshold (five per cent) during the 2019 European elections. Following recent unsuccessful negotiations on a possible coalition with the Homeland Movement, we can expect a marked decline in parliamentary seats for MOST.

Živi zid is a protest party that has its roots in the economic crisis of 2008. It levels criticism against the alleged corruption of the current political system, and represents anti-EU and anti-NATO positions. Their real ascendancy began during the 2015 presidential elections, when their now party leader, *Ivan Vilibor*, received the third most votes of all candidates. The party secured three or four seats in parliament during the ensuing parliamentary elections. At times, it even overtook the SPD as the second strongest party in voter polls, while only winning one seat during the 2019 European elections, however. It drew up its European programme in joint forces with the Italian 5-star movement. The internal fight for the only seat in the European parliament caused a split, with *Sincic* coming out on top. *Ivan Pernar*, an important player in the party, subsequently left Živi zid and founded his own party, but proved unsuccessful during the last presidential elections with 1.4 per cent of votes. In the current parliamentary elections, Živi zid will therefore

face the challenge of reaching the electoral threshold.

What Role Do National Minorities Play?

By means of the twelfth constituency, the Croatian Constitution guarantees minorities in Croatia eight seats in parliament, three of which are for the Serbian minority. In the event of election outcomes without clear winners, this enables minority representatives to decisively influence the parliamentary majority. As ruling parties, both the HDZ and the SPD have successfully cooperated with minority representatives. They are now also part of the government.

The role of the Serbian SDSS and its party leader *Milorad Pupovac* continues to be contentious particularly among national conservative voters. In opinion polls, he often ranks among one of the most unpopular politicians in the country.

The role of minority representatives could become the decisive obstacle to any coalition between the HDZ and the Homeland Movement. Among the most important representatives of the Homeland Movement are a number of national conservative and even extreme right-wing voices, which describe any kind of cooperation with the SDSS as unacceptable. Likewise, *Pupovac* emphasises that he would regard the involvement of these movements in a future majority coalition as a sign of tolerance of ideologies hostile towards minorities.

Should the HDZ emerge as the relative victor from the parliamentary elections, they will therefore be faced with an extremely far-reaching and serious political decision

Election Manifestos of the Most Important Parties

Election Manifesto of the HDZ – “A Safe Croatia”

The HDZ election manifesto underlines previous successes of the *Plenkovic* government, and attaches great importance to how it successfully dealt with the Corona Crisis, both with respect to healthcare and to supporting the economy, particularly the private sector. More than one

hundred pages are devoted to plans for the forthcoming legislative period.

The ten priorities of the election manifesto:

1. **A Proud and Sovereign Croatia**

The HDZ places great value on preserving the dignity of war veterans. The army and police forces are to be strengthened. The goal is to consolidate the sovereignty of Croatia and its influence at the European and global level. The need to strengthen connections with the diaspora is also illustrated.

2. **Efficient State**

The number of ministries and local officials is to be reduced and local government is to be reformed. A further priority is to continue with digitalising public services and reforming the judicial system. The aim is to build a society where corruption is combated efficiently and human rights are respected.

3. **Labour Market**

A total of 1.5 billion euros are to be invested in 100,000 new jobs. In four years, the average salary is to be increased to 1,000 euros per month and the minimum wage to 600 euros per month. Start-ups are to receive 18,000 euros as seed capital in order to found a company.

4. **Demography**

Benefits during maternity leave are to correspond to a full salary and child allowance is to be doubled. Building loans for 20,000 young families are to be subsidised and longer stays are to be introduced in 200 nurseries. There are plans to introduce Sunday rest (no opening of shops on Sunday).

5. **Taxes**

The income tax rate is to be lowered from 24 per cent to 20 per cent and from 36 per cent to 30 per cent. For companies with an annual revenue under one million euros, the profit tax rate is to be decreased from twelve per cent to ten per cent. The value-added tax for food products is to be decreased from 25 per cent to 13 per cent.

6. **Healthcare and Pension System**

430 million euros are to be invested in modernising the healthcare system. There are plans to build a national children's hospital in Zagreb and to reopen the Institute for

Immunology. Pensions are to be increased by ten percent.

7. **Education, Science and Industry 4.0**

700 million euros are to be invested in modernising the education system. Salaries in the education system are to be increased. It is also planned to award 50,000 scholarships to students. 700 million euros are to be invested in the areas of innovation, entrepreneurship and new products for the digitalisation of industry. The share of investments in research is to be increased from one per cent to 2.5 per cent of GDP.

8. **Self-sufficiency**

Agricultural production is to be increased by 30 per cent and achieve an annual production of three billion euros. Twenty additional regional centres for fruit and vegetables are to be built. Waste disposal is to be improved and a closed-loop economy established. A subsidy model is to increase production capacities of renewable energies from the current 900 MW to 2250 MW.

9. **Rebuilding Zagreb**

In March 2020, the capital city of Zagreb was hit by the worst earthquake for 140 years and was extensively damaged as a result. That's why the HDZ plans to pass a law for reconstructing the city. The city is to be rebuilt according to modern building standards with the help of national and international financial sources. As long as their houses are renovated, the intention is to offer adequate accommodation to all affected citizens.

10. **Regional Development**

420 million euros are to be invested in regional development and technologies in order to facilitate various projects for supporting the development of the Dalmatian islands and rural areas. Investments are also to be made in modernising the railway and general transport infrastructure.

SDP / RESTART Coalition Election Manifesto

The election manifesto of the SPD-led RESTART coalition is based on three pillars:

- › sustainability and inclusive economy
- › just, free and solidary society
- › efficient state institutions equally accessible to all and a society without corruption

The programme is based on the premise that today's Croatia has little economic clout, is democratically deficient and whose education system, infrastructure and public administration are obsolete. The programme emphasises that an important goal is to counteract the economic and social repercussions of the COVID-19 pandemic as quickly as possible. The stability of the democratic order and its institutions should be strengthened, and all citizens should be given equal opportunities.

Election Manifesto of the Homeland Movement

In its election manifesto, the Homeland Movement describes itself as a counter-movement to political elites who for years have served foreign in lieu of Croatian interests. Croatia needs to safeguard its own culture and values, including the traditional family (father, mother, and child) and the life of a child from the moment of conception. The greatest challenge is considered to be demographic development. The Homeland Movement advocates for an EU as a union of sovereign states and against a further deepening of European integration. Public service with more than 400,000 employees and a pension system comprising over one million pensioners is not sustainable, and therefore in need of reform.

What Do the Voter Polls Say?

Despite the initial increase in approval owing to the successful fight against the pandemic ("Hour of the Executive), the HDZ has been overtaken by the SPD-led RESTART coalition in voter polls over the past few weeks. The HDZ, which continues to be the strongest single party in the polls, enters the electoral campaign without a major coalition

Source: [RTL, 7 June 2020](#)

The Unclear Path towards a Majority in Parliament

The polls indicate that an election winner without an absolute majority will find it hard to achieve a parliamentary majority.

partner, apart from the former MEP *Marijana Petir*, who is popular among clerical-conservatives. During the last European elections, it almost managed to reach the electoral threshold as an independent candidate.

In recent voter polls, the Homeland Movement recorded a positive trend and will probably be the third largest party in parliament. A number of smaller regional parties lie below the electoral threshold in national polls, but are strong enough in some constituencies to expect several seats in parliament.

Party and/or electoral coalition	Poll ratings
RESTART coalition (without IDS and PGS)	27.2%
HDZ	26.6%
Homeland Movement	13.5%
MOST	4.1%
Green Left (coalition of Mozemo, Zagreb is OURS, New Left, Worker's Front, Orah)	2.4%
SIP (party with first and last name)	1.9%
Pametno and Fokus (coalition)	1.8%
Zivi Zid and PH (Let's Change Croatia) (coalition)	1.7%
SIP (Ivan Pernar Party)	1.4%
IDS (Istrian Democratic Party)	1.4%
HNS (Croatian People's Party)	1.1%
Milan Bandic 365	1.0%
Democrats and Labour (coalition)	1.0%
Undecided	11.9%

Neither the HDZ nor the SPD can expect ideologically close parties to quickly join their coalitions. An example of this are voices in the Homeland Movement suggesting that they will not accept *Plenkovic* as Prime Minister. Much will depend on the allocation of votes among the smaller parties.

In order to achieve the 76 mandates required to reach a majority, support from the minority

representatives is likely to become indispensable again.

In recent months, the media has often reported about a possible “grand coalition”; this would represent a significant turning point in the political history of Croatia. Should the HDZ or the SPD fail to form a majority with smaller parties, such an alliance, which is unprecedented in the history of Croatia, could emerge, especially if it comes to a political impasse preventing a new round of elections.

¹ Croatian Peasant Party (HSS), Croatian Party of Pensioners (HSU), Civic Liberal Alliance (GLAS), IDS (Istria), PGS (Region Rijeka), Snaga

² This includes *Zlatko Hasanbegovic*, former Minister of Culture (2015-2016) and *Ivan Penava* (acting Mayor of Vukovar).

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