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A New President in Croatia: No Internal Changes, Tougher Relations with Serbia

Tomasz Żornaczuk

On 15 February, Kolinda Grabar-Kitarović, from the right-wing Croatian Democratic Union (HDZ), will replace social democrat Ivo Josipović, who has been in office for five years, as president of Croatia. The expectations of society relate primarily to an improvement in Croatia's economic situation, but due to limited powers, the change of president will not cause any fundamental shifts. However, it can be expected that there will be implications for policy concerning neighbouring states, especially Serbia. The change in president is also a sign that the people of Croatia will broadly support the opposition in the parliamentary elections scheduled for later this year.

An Unexpected Change of President. When Grabar-Kitarović was named presidential candidate in June 2014, she enjoyed the support of nearly 30% of the population, while more than 50% favoured incumbent Josipović. Grabar-Kitarović's credentials, including her years of experience as minister for European affairs, and later also of foreign affairs (2003 to 2008), ambassador to the United States (2008 to 2011), and assistant secretary general for public diplomacy at NATO (2011 to 2014), gave her the experience she needed to run for president. During the campaign she placed herself in opposition to both the president and the government of Zoran Milanović (from the Social Democratic Party of Croatia), blaming these politicians for ineffective actions aimed at bringing Croatia out of the economic crisis (GDP rose from -2.2% per capita in 2012 to only -0.5% in 2014), for almost 20% unemployment, and for a lack of ideas on how to develop the country after accession to the EU in 2013. In the first round of the elections, in December, Grabar-Kitarović received 37.2% of the vote, just over 1% behind Josipović. Eventually, however, she won by the same difference, receiving 50.7% of the votes in the second round in January.

The change of president in Croatia is surprising in the light of the popularity enjoyed by outgoing Josipović. From 2010 to 2013, more than 80% of the population welcomed actions taken by the president, and the support did not dropped below 50% until the start of the presidential campaign in the summer of 2014. This was despite the often unpopular initiatives that the president undertook, mainly due to Croatia's accession to the EU. In the first months after taking the office, he met several times with the then Serbian president, Boris Tadić (meetings between the heads of these countries had not been held for many years), to establish the rules for resolving bilateral disputes.[1] The continued high level of support for Josipović was also associated with a simultaneous and significant weakening of the largest Croatian party, HDZ (in power from 1990 to 2011, except for one term), due to a corruption scandal involving the prime minister, Ivo Sanader. At the end of Josipović's term, his public support weakened mainly because he was identified with the Social Democrats (in power from 2011) and their poor economic performance. The victory of Grabar-Kitarović of HDZ is therefore an expression of society's discontent with the political elite, including the government, in the context of their efforts to resolve the economic crisis. It also suggests that this party is likely to return to power after the parliamentary elections.

[1] See: T. Żornaczuk, "Improvement in Croatian-Serbian Relations: Implications for the Region," *PISM Bulletin*, no. 61 (137), 22 April 2010.

The Expected Change in Policies. In the Croatian parliamentary system, as in many others in Europe, the powers of the president are limited mainly to a representative function, to authority over the armed forces, and to providing an opportunity to co-create foreign policy by cooperating with the government. Efforts to improve the economic situation of the country, which involve social expectations after the change of the president, are the responsibility of the government and parliament. The president's activities in this area will therefore probably be limited to attempts to mobilise these institutions to undertake further reforms, and in the event of cohabitation may result in a reciprocal exchange of criticism between the president and the government.

Bearing in mind the nature of the presidential powers, as well as previous work experience of Grabar-Kitarović, one should assume that her activities will focus more on foreign policy, including the regional dimension, rather than on economic issues. This may be especially true in developing relations with Serbia, with which Croatia has many unresolved bilateral issues, such as the dispute over two islands on the Danube, the missing persons issues, and others from the time of the last war in the Balkans. Grabar-Kitarović has already announced that she would like to raise these questions with the president of Serbia, Tomislav Nikolić, during his visit to Zagreb on the occasion of the new president's swearing-in. However, in the light of Grabar-Kitarović's declarations, which are controversial from Belgrade's point of view, the participation of the Serbian head of state in this ceremony seems highly doubtful.

In the context of the differences in the perception of future relations with Serbia, a significant part of the dispute between the outgoing and newly elected presidents is the status of the Serbian language and alphabet in Vukovar (a town near the border with Serbia). In 2013, the parliament in Zagreb received a petition of almost 700,000 signatures, calling for a referendum aimed at increasing the percentage of a minority (from 33% to 50%) required for its language to be recognised as official at the municipal level. This in practice would mean the removal of the Serbian language from official use in Vukovar. Both the government and President Josipović rejected this claim, arguing that it would be contrary not only to EU practice, but also to the Croatian Constitution. A few months ago, the constitutional court finally ruled out the possibility of holding such a referendum. Meanwhile, Grabar-Kitarović has referred negatively to the public use of the Cyrillic alphabet in Vukovar. Neither by naming Croatian Serbs "Croats" (which was seen in Belgrade as a denial of the existence of the Serb minority), nor by the post-election statement that they can count on receiving only the same level of rights from Zagreb as has been enjoyed by Croats in Serbia, has Grabar-Kitarović facilitated the dialogue between the two nations.

Possible Tensions between Croatia and Serbia. Although in both economic and foreign policy, the head of the state in Croatia has limited powers, Grabar-Kitarović will surely evaluate the work of the government and offer new solutions. On economic matters it is hard to expect radical reforms from the government in an election year, and recent actions show that the government may resort to initiatives aimed at achieving short-term objectives in order not to alienate voters, or even in an attempt to win their support. Examples include government decisions since the beginning of 2015, to freeze the rate of the Swiss franc against the Croatian kuna (January), and to cancel the general debt of about 60,000 of the poorest citizens (February). The president will probably point to the weaknesses of these solutions, so that voters will be able to compare different approaches, and their assessment will affect the outcome of this year's parliamentary elections.

Judging by her previous statements, Grabar-Kitarović may participate actively in creating Croatian policy in the region. However, acute rhetoric, especially against Serbia, will not serve to improve relations, neither with the country, nor with Bosnia and Herzegovina (largely inhabited by Serbs), which is a priority country in Zagreb's foreign policy, due to its large Croatian community. The outgoing president made sure that the process of reconciliation with Serbia gained a new quality, since good relations with its neighbours was one of the conditions of Croatia's integration with the EU. Despite achieving this goal, the continuation of the policy of "building bridges" in the region would prove the president's constructive participation in the implementation of initiatives aimed at reconciliation with the neighbours, even if this aspect coincides with the approach of the president who represented a party from the other side of the internal political scene.

Nevertheless, in the European context, such actions will increase Croatia's credibility, as a country with ambitions to play a significant role in the region, among such states as Poland, which is also in favour of a more dynamic EU enlargement policy. Moreover, as president of an EU Member State, Grabar-Kitarović will be able to lend active support to the efforts of the Balkan countries that have applied for accession. Poland and other countries interested in the EU's greater openness should indicate to the Croatian partners both the benefits of such an approach and the potential losses that could result from a change. Modification of the position in this regard would weaken Croatia's policy towards the Balkans, and could mean that a nation's use of its membership of the EU to regulate bilateral issues with neighbours aspiring to membership becomes a norm in the region. This would undermine the credibility of the EU, which by accepting Croatia has declared that Zagreb's relations with Belgrade were good enough.