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Serbia: 2004 Presidential Elections

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Summary

Serbia, the larger republic within the Serbia and Montenegro union, held presidential elections on June 13 and 27, 2004. While the actual powers of the republican presidency are not very extensive, the election outcome was expected to signal the political direction of Serbia and its prospects for closer relations with the international community. In the first round of voting, Tomislav Nikolic, leader of the extremist Serbian Radical Party, and Boris Tadic, candidate of the opposition Democratic Party, came in first and second place in front of 13 other candidates. In the second round, Tadic defeated Nikolic, 54% to 45%. Calling the results a victory for "a European future" over radical nationalism, Tadic pledged to guide the country closer to European Union membership. However, Tadic's victory may trigger still more political changes, including early parliamentary elections. A related CRS product is CRS Report RL30371, *Serbia and Montenegro: Current Situation and U.S. Policy*, by (name redacted).

Background

The political situation in Serbia has been notable for high volatility at least since the end of the Kosovo war in mid-1999. In October 2000, wartime President Slobodan Milosevic was forced from power by pro-democracy forces including opposition parties and grass-roots civic groups. These forces, mostly encompassed in the broad-based Democratic Opposition in Serbia (DOS) coalition, came into office and launched new reforms, but progress stalled in part because of inter-party disagreements. The rivalry between then-Yugoslav President Vojislav Kostunica (and his party, the Democratic Party of Serbia, DSS) and then-Serbian Prime Minister Zoran Djindjic (of the Democratic Party, DS) became particularly divisive. The tiny Republic of Montenegro continued to press for independence from Serbia but acquiesced in 2002 to an EU-brokered arrangement to realign the old Federal Republic of Yugoslavia into a loose state union of Serbia and Montenegro, which came into force in February 2003. In March of that year, Serbian Prime Minister Zoran Djindjic was assassinated allegedly by organized criminal groups threatened by Djindjic's reform policies. Power was smoothly transferred to a successor DS-led government, but early parliamentary elections held in December produced strong results for Serbia's nationalist parties, with the extremist Radical Party winning the largest

share of the vote and seats in parliament, although not enough to form a government. After months of negotiations, Kostunica became Prime Minister of a DSS-led minority coalition (without the Radical Party) in March 2004, while the DS opted to go into opposition. Milosevic's Socialist Party supports the Kostunica government in parliament.

In part because of ongoing political instability, Serbia has lagged in some aspects of reform, and in its efforts to integrate with the international community and overcome Serbia's troubled recent history. At the same time, developments in Serbia and Montenegro can strongly influence regional stability and affect broader regional issues such as the unresolved conflict in Kosovo, the status of the International Criminal Tribunal for the former Yugoslavia (ICTY), and EU enlargement plans in the western Balkan region. For these reasons, the mid-2004 Serbian presidential election attracted a great deal of attention within Serbia and without. While the actual powers of the republican presidency are not very extensive, the election outcome was expected to loom large in Serbian national politics and influence Serbia's relations with the international community.

Serbian Presidency

The limited powers of the Serbian presidency derive from the Serbia and Montenegro Constitutional Charter that came into force in February 2003,[1] and the Serbian republic constitution, which is currently under revision. The Serbian president is directly elected and has certain appointive and policy-related powers at both the republic and union levels. Notably, the two republic presidents serve on the Supreme Defense Council along with the union president. However, most governing power lies with the republic-level prime minister and cabinet. Moreover, the state union remains a single international entity and retains among its few powers the conduct of international relations. Therefore, the Serbian president, representing a constituent republic, does not act as a sovereign "head of state" in an international context.

The last person to hold the post of President of Serbia on a full-time basis was Milan Milutinovic, who is currently in custody at The Hague and charged with war crimes relating to his decision-making authority during the 1999 Kosovo conflict. After Milutinovic's term expired at the end of 2002, Serbia held three direct presidential elections prior to 2004: in October and December 2002, and in November 2003. Each time, the results were invalidated due to low voter turnout (less than 50%).[2] In the 2003 vote, Serbian Radical Party candidate Tomislav Nikolic came in first with about 46% of the vote. Some parties boycotted that process and turnout was less than 40%. In the absence of an elected president, the president of the Serbian parliament acted as caretaker Serbian president from 2003 until July 2004.

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[1] For more information, see CRS Report RS21568, *Serbia and Montenegro Union: Prospects and Policy Implications*, by (name redacted).

[2] In both 2002 presidential elections, then-federal president Vojislav Kostunica of the Serbian Democratic Party (DSS) won a clear majority of the vote. Voter apathy, which produced low turnouts that invalidated each process, appeared to suit the interests of the government of then-Prime Minister Zoran Djindjic, given its ongoing bitter feud with Kostunica after the fall of Milosevic in October 2000.

For the 2004 vote, the Serbian parliament abolished the 50% voter turnout threshold for both rounds of the election. Therefore, a candidate could claim victory either by winning over 50% of the vote in the first round or prevailing in the second round between the top two contenders. Low voter turnout could not invalidate the results.

Candidates

Fifteen individuals were approved by the Serbian Electoral Commission to run for president. The leading candidates were Tomislav Nikolic, leader of the extreme nationalist Serbian Radical Party; Boris Tadic, candidate of the opposition Democratic Party; and Dragan Marsicanin, candidate of the governing coalition under Prime Minister Kostunica. Nikolic is the acting head of the Radical Party in the absence of its leader, Vojislav Seselj, who is currently in custody at The Hague on charges of war crimes. During part of the 1990s, the Radical Party shared power with Slobodan Milosevic's Socialist Party. Tadic of the Democratic Party served as defense minister under Djindjic and Djindjic's successor, Prime Minister Zivkovic, and is widely credited for carrying out major reforms in the armed forces during his tenure at the defense ministry. Representing the current government, Marsicanin had the formal backing of the DSS and its coalition partners, but was considered a weaker representative of the government than either Prime Minister Kostunica or Deputy Prime Minister Labus. A fourth prominent candidate was Bogoljub Karic, an independent businessman and media mogul. The inclusion of many additional candidates was thought by some to encourage greater turnout in the first round, although others feared that the participation of many non-serious candidates could feed voter apathy.

Most pre-election opinion polls showed Nikolic leading with about 30% or higher levels of support. In many polls, Tadic came in second with about 20% or higher, with Marsicanin ranking third, depending on the poll. However, a large share of persons polled said they were undecided. The level of turnout was considered to be another key factor in the final outcome.[3]

Notably absent from the 2004 list of candidates was Vojislav Kostunica, who ran in both failed presidential elections in 2002. His absence reflected changed political circumstances. In 2002, Kostunica was serving as president of the Federal Republic of Yugoslavia, which no longer exists in that form, and the Democratic Party under Prime Minister Djindjic controlled most levers of governing power. After the December 2003 parliamentary elections, Kostunica's DSS party became the leading party in the governing coalition and Kostunica himself became Serbian prime minister, a position of much greater power than the Serbian presidency. Given this situation, Kostunica expressed greater interest in fulfilling his governing mandate as prime minister than in running for a less significant office. Nevertheless, many observers initially rued his choice not to run, given that Kostunica might have been best able to unite the badly fractured pro-democratic bloc and present the strongest alternative to the Radical Party's Nikolic.

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[3] "Serb Presidency Poll Could Become Tight Race," *Reuters*, May 19, 2004; "Serbian Poll Suggests SRS's Nikolic To Win Presidential Vote," *BBC Monitoring European*, June 1, 2004; "Serbia's Presidential Election Likely to Go to Run-Off," *Agence France Presse*, June 2, 2004.

Campaign

Even before the official start of the election campaign, it was apparent that the democratic bloc would remain fragmented by virtue of its inability to back a single candidate. Before the vote, government leaders argued that it would have been impossible to support Tadic, since his Democratic Party was in the opposition, and they therefore put forward Marsicanin as the coalition candidate. The bigger question that was left open to speculation was whether all pro-democracy parties would unite behind a non-nationalist candidate in the second round, if the race came down to one of them against the Radicals' Nikolic. Prior to the first round, however, such cooperation at least between the DSS and DS appeared questionable. Officials from both parties exchanged sharp recriminations on a range of issues; a prominently featured dispute involved the circumstances surrounding the 2003 Djindjic assassination, the ensuing enforcement actions of the successor DS government, and the alleged complicity of both parties in the murder. Some media commentary observed that the bitter campaign disputes could negatively affect voter turnout among supporters of moderate candidates, and thereby work to boost the proportional strength of the extremists.

For his part, Nikolic attempted to build on the SRS' successful approach to the December 2003 parliamentary elections, in which the party downplayed its ultra-nationalist roots and emphasized populist concerns and voter discontent with social and economic conditions. He campaigned on assurances that his victory would not lead to Serbia's isolation. However, EU officials warned that Serbia under a Radical Party leadership could not count on EU support. EU members had already expressed concerns about political developments in Serbia following the December parliamentary vote.[4]

The outburst in mid-March 2004 of deadly, ethnically-motivated attacks against Serb communities in Kosovo returned the volatile and unresolved issue of Kosovo to the Serbian political scene.[5] In response, the Kostunica government put forward a detailed plan to create autonomous units for Kosovo Serb residents as part of a larger decentralization effort for the Kosovo province. While the plan itself has received mixed initial reactions abroad, some observers believe that the Serbian government has benefitted politically from its prompt and internationally engaged response to the recent violence. Moreover, swift Serbian governmental and parliamentary approval of the decentralization plan for Kosovo helped to remove the hot-button issue of Kosovo as a central theme — and a potential rallying point for nationalist forces — in the presidential campaign.

In early May, the Serbian political scene was further shaken by the sudden appearance and voluntary surrender in Belgrade of Milorad "Legija" Lukovic, the prime suspect for organizing the Djindjic assassination and the former leader of the "Red Berets" special operations unit in the Serbian police force. Lukovic disappeared after the March 2003 murder and remained in hiding for over a year. Lukovic appeared in court

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[4] Press conference by NATO Secretary General Jaap de Hoop Scheffer and Javier Solana, EU High Representative for CFSP, May 24, 2004; "EU Urges New Serbian Government to Stick to Reforms," *Agence France Presse*, February 25, 2004.

[5] For further information see CRS Report RL31053, *Kosovo and U.S. Policy*, by (name redacted) and (name redacted).

for the first time in June and entered a plea of not guilty. His initial testimony included charges of links between former officials of the DS-led government and organized crime.

Results[6]

In the first round of voting on June 13, no single candidate won a majority of the vote. Nikolic received the highest share of votes (30.60%), and Tadic came in second with 27.37%; both were assured of participation in the second round. A surprise third place showing with 18.23% was media mogul Bogoljub Karic, whose campaign message on job creation may have drawn off some of Nikolic's potential supporters. Marsicanin, the government's candidate, came in a disappointing fourth with 13.30%. Voter turnout in the first round was 47.75%.

In the immediate aftermath of the first round, there was widespread speculation that, in response to Marsicanin's poor showing, Prime Minister Kostunica might resign and thereby bring down the government and trigger early parliamentary elections. After Kostunica issued a formal denial to these rumors, the next question was whether he would back Tadic for the second round. The three DSS coalition partners (G-17 Plus, Serbian Renewal Movement, and New Serbia party) immediately lent their support to Tadic. Kostunica first met individually with both Tadic and Nikolic, but after a few days the DSS formally endorsed Tadic for the second round. Third-place candidate Karic also backed Tadic. However, it remained to be seen to what extent the voter base of these parties would abide by the endorsements of their party leaders or even participate in the process. Therefore, another preoccupation for the reformist parties before the second round was to counter apathy and encourage greater voter participation among their supporters.

In the second round on June 27, Tadic defeated Nikolic by a vote of 53.53% to 45.10%. Among the motivating factors favoring Tadic, according to some media analyses, may have been concerns about the consequences of a Nikolic victory and a perception among voters that Tadic was better suited to lead the country out of isolation, promote international support for Serbia, and improve economic prospects. Nikolic conceded defeat but upheld his call for early parliamentary elections, with the apparent expectation of another strong Radical Party result. With the backing of a much broader base than the traditional Democratic Party supporters, Tadic nearly doubled his votes from the first round. Voter turnout in the second round was 48.28% — still an overall low figure, but higher than some expected for a second round of voting. Tadic is to be inaugurated in early July under a five-year term.

For both rounds of voting, international observers assessed that democratic standards for a free and fair electoral process had been met. The international response to Tadic's victory was one of congratulations and probably some relief. EU foreign policy chief Javier Solana welcomed Tadic's victory and called him a "friend of Europe."[7]

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[6] Results data summarized from various news agencies and international organizations, including the Organization for Security and Cooperation in Europe (OSCE).

[7] *Financial Times*, June 29, 2004.

Potential Implications for U.S. Policy

Following the formation of the Kostunica government in March 2004, U.S. officials emphasized that the United States would judge the Serbian government on its actions and that the Administration stood ready to assist Serbia on the path toward Euro-Atlantic integration, provided that Serbia met its international obligations.[8] After Djindjic's murder in 2003, U.S. and Serbian officials sought to strengthen bilateral relations and cooperation; despite some areas of progress, cooperation in other areas became stalled primarily over assessments of still limited Serbian cooperation with the war crimes Tribunal. This issue prompted the Administration to suspend U.S. bilateral assistance to Serbia (pursuant to Section 572 of the FY2004 foreign operations appropriations act) in March 2004, and remains a significant barrier to U.S. support for Serbian efforts to become more closely associated with Euro-Atlantic institutions. The successful conduct of the June elections and defeat of the Radical Party candidate signaled improved prospects for Serbian-American cooperation. Major issues on the international agenda include Serbia's obligations with regard to the war crimes Tribunal, the situation in Kosovo, and Serbia's efforts to join NATO's Partnership for Peace program.

At the least, it appears that the worst-case scenario for bilateral U.S.-Serbian relations has been averted. Many observers feared that multiple negative ramifications would result from a presidential victory for Nikolic and the Radical Party. A Nikolic victory would have most likely immediately brought down the Kostunica government and ushered in a more unstable political environment and further fragmentation of the democratic bloc. The ascendance of the Radical Party would likely have reduced prospects for constructive international dialogue on Kosovo, led to more problematic Serbian relations with Montenegro, and added additional strains in relations with the international community, including further isolation and limits on financial assistance.

Nevertheless, it may be too early to draw definitive conclusions about the impact of the Tadic victory until the overall political situation in Serbia becomes clearer. As noted, Tadic's position as currently mandated carries few governing powers. While the presidential vote victory has boosted the Democratic Party, Tadic has stated that it will neither join the Kostunica coalition government nor seek its fall. Where the Kostunica government stands as a result of the vote, what the relationship will be between the Prime Minister and President, and how cohabitation might work remain open questions. The prospect of early general elections will likely overshadow most other issues on the policy agenda in the near term. At the same time, Serbia's leaders still need to meet the conditions of the international community — especially on cooperation with the war crimes Tribunal — for the country to move forward on closer ties with and assistance from the United States and other western nations and institutions. Pursuing further reforms will likely again require the consolidated support of Serbia's democratic forces.

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[8] Testimony of U.S. Deputy Assistant Secretary of State Kathleen Stephens, Hearing on Serbia, U.S. House of Representatives, Committee on International Relations, Subcommittee on Europe, March 17, 2004.