

DDLGN f2f follow up (2016)

Country Case Study on SDC support to Accountability Macedonia

1. A challenging context for accountability

Macedonia is a politically highly polarized country where accountability relations are usually played out along party lines rather than horizontally across state institutions or vertically between state and the citizens.

Extensive state control

The current government (in power since 2008) has gradually increased state control over media and parts of civil society thereby effectively undermining their oversight and watchdog function. Means to exercise this control are often of administrative nature – e.g. through an extensive regulatory framework for media and excessive administrative and financial controls of NGO management processes by state institutions – thus limiting the space for journalist and activists. Control is also exercised by the Government over the Legislative and the Judiciary and fuels corruption. This has come quite prominently to the public's attention through the revelation of intercepted phone conversations that show the extent of the Executive's control over the judiciary and economy and the (alleged) involvement of high level officials in illegal activities. These revelations have however sparked the biggest civic protests in recent years and have united citizens across ethnic communities. Eventually, the most indiscriminate officials – the Head of Intelligence Service and two Ministers – resigned in a rare and seemingly accountable move. However, the Prime Minister's resignation was not a direct result of popular demand but was a political agreement between the main political parties, the so called Przino Agreement, mediated by the European Union.

Party capture of Parliament and other state institutions

Accountability within state institutions has also been weakened by the opposition's prolonged absence from the Parliament – in a first instance in 2012 forcefully removed by the political party in power along with journalists – in a second instance out of protest over the 2014 election results, which the opposition refused to recognize due to severe irregularities. Without opposition in Parliament, the ruling party has passed a great number of laws and regulations in the last year, often in a fast track procedure which doesn't allow much time for consultation and discussion. Another contributing factor to weak accountability relations in Macedonia is inherent in the Macedonian election system. Parliamentarians are elected based on closed lists, the party eventually decides whom to install. Such a system rewards party loyalty and upwards accountability – parliamentarians elected through such a process are hence more likely to be accountable to their party than to their constituents whose interests they are supposed to represent.

Eventually, the parties influence is also evident in the administration where many appointments are politically motivated and lack grounds in terms of merit. Civil servants in particular lack freedom of expression as they face dismissal in case of divergent opinion.

The blurred division between the ruling party and the state was rampant during the 2014 election campaign highlighted by the OSCE/ODIHR monitoring report and endorsed by the EC. Again, this party capture of state institutions severely undermines accountability relationships by concentrating power in the hands of a very few.

The lack of information from a free and critical media also impacts public opinion making and citizens' potential to critically questions the state institutions and demand accountability. State controlled media provide a highly biased picture of domestic as well as foreign relations and deprive citizens of one of the crucial preconditions to engage in accountability relations with the state.

Inter-ethnic relations and weak accountability

Another important factor impacting accountability relations is Macedonia's ethnic composition. After the breakup of the Federal Yugoslav Republic in 1991 Macedonia reemerged as multi-ethnic and sovereign nation. The political agenda after independence was driven by self-determination and a nationalist (ethnic Macedonian) reawakening, which excluded other ethnic communities, most notably the Albanians. After a short armed conflict in 2001 mechanisms were put in place to ensure the ethnic communities equitable representation and use of minority languages. It also marked the beginning of Macedonians political, administrative and fiscal decentralization. Ever since, Macedonia has been ruled by a coalition government composed of ethnic Albanians and ethnic Macedonian parties. Still, Macedonian society remains highly divided along ethnic lines and inter-ethnic mistrust is high – providing the ground for political manipulation and instrumentalization. The Kumanovo shootout –presented by Macedonia's government as impeded terrorist attack by a criminal group composed mainly of former militants from Kosovo and Macedonia– coincided with a peak in Macedonia's political crisis, fueled by the Government's misdemeanors made public through the publication of intercepted material. Internationally as well as domestically this shootout was perceived as an attempt to divert the public's attention from the ongoing political crisis and to avert state's accountability for the published misdemeanors and illegitimate practices, by provoking renewed ethnic conflict. This narrative of an enemy which threatens the national security and identity is also used in the case of neighbor relations with Greece, and is used to justify the lack of transparency and accountability that the Government is providing to its citizens.

This latest attempt to avoid accountability for the political crisis was however only partly successful, as under external pressure from the EU and USA the Macedonian Prime Minister was forced to resign to allow a transition government to prepare for early elections and a Special Prosecutor was installed to deal with the claims derived from the wiretapped material probing the involvement of high level officials into illegal activities.

More accountability at sub-national level

At subnational level, there is slightly more room for true accountability as council members tend to be closer to their constituents not only in terms of geographic proximity but also in terms of development interests for their locality. Particularly Albanian and opposition governed municipalities have lesser ties to the political establishment and receive lesser benefits. This increases chances for more genuine representation of their constituents' interest opposite the central government.

2. The rational of Swiss engagement on accountability

The lacking accountability both across state institutions and towards citizens severely undermines Macedonia's democratization and European (EU) integration process and lies at the core of the most severe political crisis since 2001 currently shaking the country. The impact of weak accountability, transparency and inclusion transcends Governance in Macedonia and is equally felt in other sectors, where the regulatory framework is not enabling, access to quality services is neither equal nor transparent, and capacities of institutions to cater to public and private sector needs are weak.

The overall goal of the Swiss cooperation with Macedonia in Governance is to advance democratic governance at local and central levels, with a focus on the sub-national level to fundamentally change accountability relations in Macedonia. A particular aim of the Swiss support has been to change citizens' perception about their role in society and vis-a-vis institutions and to engage in democratic processes with state institutions at local level. Similarly do interventions at sub-national level aim at empowering local actors, both state and non-state, to effectively hold the central government accountable and promote a locally led decentralization and democratization process. The support to national and local councils aims at strengthening their capacities and access to information thus enabling them to exercise their oversight function towards local and central authorities. Civil society organisations are empowered to influence political agenda setting and promote a citizen-led social transformation process.

Most importantly, Switzerland aims at changing a political culture that is built on patronage, clientelism, intimidation and a one-nation-one-people narrative from below.

3. A systemic intervention strategy to enhance accountability

Switzerland intervenes both at sub-national and national level, supporting both state institutions and non-state actors to effectively exercise their accountability roles and strengthen checks and balances. Switzerland works with actors that can bring changes to the political culture which is currently characterized by low levels of transparency and accountability and to the perception of citizens which is dominated by a general acceptance of the high levels of corruption, little accountability and transparency that prevail in Macedonia.

Switzerland works through mainly three lines of intervention to strengthen accountability relations in Macedonia:

- Improve oversight over the executive by strengthening national and local councils
- Strengthen participation and inclusion in local governance processes and enable citizens to hold authorities accountable
- Empower civil society and media to assume a watchdog function and demand authority

Oversight over executive by citizens and parliaments

By strengthening the oversight role of national and local councils the Swiss Programme addresses the root cause for the rampant lack of checks and balances.

At national level, SDC works with the **Parliamentary Institute** which has been established to provide analysis and documentation to inform the legislative debate amongst parliamentarians. By providing fact-based, impartial and quality information, MPs are supported in enhance quality of debate, quality of laws and are enabled to properly oversee their implementation. The set up of an archive and library will make information for MPs more readily accessible, thus enhancing their fundamentals for exercising their responsibilities more effectively and transparently. At local level, SDC works directly with the **municipal councils** to strengthen their capacities to enable oversight over public finances, and enhance their legislative and representative role. By strengthening their function, more accountability and transparency of local governments is enabled, thus furthering the decentralization process as a whole. Prior to engaging with municipal councils, SDC has supported **community forums** at municipal level that involve citizens in local decision making processes. The CF approach promotes accountability and transparency by mayors and municipal administrations regarding municipal financial planning and expenditures and strengthens citizen's participation in local planning and scrutiny of local finances.

Empowering Civil Society to strengthen accountability

Through the **Civica Mobilitas project** CSOs are supported to provide an independent and critical opinion and information to the public and build institutional capacities to effectively assume their watchdog role and hold authorities – be it the executive, legislative or administration - accountable. Similarly, the CSO's downward accountability toward their constituencies is strengthened by enhancing relations between CSOs and their constituencies' and better anchoring CSOs agenda setting.

A stronger civil society with active citizens that initiate or support actions of CSOs are a necessary precondition for increasing bottom up pressure on local and central authorities to be more transparent and accountable to citizens. At the same time, stronger CSOs and active citizens are less likely to be instrumentalized by political parties along ethnic or religious affiliations (the differences most prone to instrumentalization in Macedonia), and reduces the potential for division and conflict.

4. Key factors for successful program interventions in accountability:

In the case of accountability interventions in Macedonia, the following elements can be considered key to ensure results are achieved and sustained:

- ❖ Start with a thorough context analysis

- ❖ Revise assumptions according to changes in the context
- ❖ Plan long term
- ❖ Engage with various stakeholders from different parts of the governance system with a potential to promote change
- ❖ Include political dialogue (and use political leverage) in project interventions
- ❖ Enable creation of spaces for engagement of various stakeholders
- ❖ Apply a systemic approach

These key elements are reflected in various ways in the different interventions:

- ❖ All SDC interventions intervene at strategic entry points with a potential to engage change agents. Despite the difficult political situation Macedonia is facing and the authoritarian trend of governing, relationships and transactions at local level tend to provide more space for engaging in accountability relationships. The overall portfolio of the Governance Domain aims for a systemic approach and interests of different stakeholder are early taken into account through a thorough Political Economy Analysis.
- ❖ In the current political context there is little room for (central) government driven reform – a bottom up approach is thus favored in most interventions, be it by supporting civic actors or sub-national authorities and institutions.
- ❖ One of the few positive aspects of the ongoing political crisis which revealed the scope of democratic shortcomings in Macedonia is the substantial civic activism that it has triggered: civil society across ethnic or religious lines have united in demanding the resignation of the government and the probing into the accusations against high level officials – these demands have at least been partially met, testimony to a re-awakened civil society. It is hoped that the long term Swiss support has contributed to this positive engagement of civil society
- ❖ While no technical solutions should be sought to solve political problems, technical support may help to prepare the grounds for more political interventions at a later stage. This is the case in the support to the Parliamentary Institute, which is an administrative unit mandated to provide technical information and documentation to parliamentarians. While in a first phase the focus was on establishment of the PI, recruiting and regulatory framework, in the future, aspects of Parliament openness to the public and potentially support to commissions' work are envisioned, thus working more directly on accountability and the different functions of parliament.
- ❖ Aim at institutionalization of instruments and best practices promoted by the project: in the case of the Community Forum, the instrument promoted by SDC was later on institutionalized by 2/3 of all municipalities, who amended their statutes accordingly to make citizen participation and consultation through Budget and Community Forums a mandatory practice. Similarly, have the procedures and principles for hiring of civil servants (e.g. merit-based) in the PI been included in the new national Law on Civil Servants thus having a systemic impact.
- ❖ A systemic approach was applied to the establishment of the PI which has become an integral part of the administrative arm of the Parliament, staffed by civil servants. References to the research and analysis provided by the PI (140 papers in 17 months) were prevalent in the legislative hearings, showing the positive impact of the PI services on the legislative

debate. The services of the PI were disproportionately used by minority groups, such as female and ethnic minority MPs.

- ❖ As the Community Forums programme developed, more and more municipal administrations opened up toward citizen participation. In a situation of limited resources for local authorities, consultations with citizens ensure that priorities are identified according to citizens' needs and not according to political and partisan interests. The last ten municipalities that organized Budget Forums produced 85 project proposals per municipality and in average 58 Forum proposals were accepted. Field monitoring indicates that even though they admit pressure by their political parties to have more "populist" projects, mayors feel comfortable to carry out Forum projects when they are backed by their constituents. Proof for the importance of the Community Forums is the fact that even though there is no financial incentive, municipalities are interested to participate in the programme. There is also some evidence that the Community Forum has contributed to more liberty of expression within the administration: Even though control by the state administration is high, there are cases of civil servants working for different state companies/institutions who have expressed their opposing views towards government's policies. These are still isolated cases expressed privately through social media, but it is a growing trend.

5. Challenges and lessons learnt

General contextual challenges and lessons learnt

- ❖ The elaborate and pervasive system of state control over all other powers, including CS and media, provides many potential limitations for the systemic impact of the promoted interventions. One prominent bottleneck are the political parties that almost constitute a state in the state and that dominate the prevailing political culture. In order to effectively address the politicization of society and the state one would need to engage with parties and more broadly on the election system. Another bottleneck are state controlled media and state sponsored individuals that undermine the credibility of alternative media by posting and disseminating state propaganda. The image of media is thus held in low regard by the general public, which hinders the development of a free and critical media that has an outreach to a wider audience. Another big bottleneck is the pervasive corruption in Macedonia and the many privileges of political and economic elite that work entirely outside any system of accountability without any interest whatsoever to engage in such relations.
- ❖ The politicization of administration and the wide spread patronage system limits the numbers of citizens engaging in civic activism out of fear of repercussions from state and state captured institutions. However, with the increase of civic activism expressed through mass protests against the authoritarian trend of governing and misuse of political power, the citizens are more and more encouraged to participate in public events expressing their views. Since mid of April 2016, when a new wave of protests started, between 3.000 and 15.000 citizens participate on a daily basis. Some of the most prominent CSOs that initiated these protests are SDC's grantees.
- ❖ The region's legacy of ethnic conflict and the fact, that Macedonian effectively remains a country divided by ethnic affiliation is a severe bottleneck to a truly inclusive and accountable system, as accountability relations are rather derived from ethnic ties than from a more formal understanding of citizen-state relationship. For example are political parties clearly ethnically affiliated and derive their support from their respective ethnic communities. To overcome this divide a more issue based political dialogue needs to take place and parties need to develop a stronger profile that transcends ethnicity and allows them to position themselves towards a wide spectrum of socio-economic issues.

- ❖ Macedonia's EU accession process remains blocked unless the name dispute with Greece is solved. While in theory the EU accession is the strongest driver for democratization and enhanced accountability this potential is severely weakened by Greece's repeated veto which makes the accession an elusive perspective in the short- to medium term.

Specific challenges for SDC's projects and lessons learnt

- ❖ The long absence of opposition parliamentarians from the national parliament has been a challenge for the working of the PI, who risks being perceived as biased and only serving ruling party MPs. Nevertheless has the PI continued to provide services according to its mandate.
- ❖ The politicization of the administration was also felt in the PI project, where the hiring process risked foregoing good practices of merit-based selection of candidates. Switzerland halted its support until it was guaranteed that the hiring process followed international norms. This involved quite a bit of political dialogue from the Swiss Embassy with the Macedonian authorities.
- ❖ The diminishing spaces for civic engagement in recent years and the Government's suppression of freedom of speech have had an impact on number, outreach and professionalism of civil society organisations in the country, which in term limited the potential grantees under the Civica Mobilitas project. This resulted in some CSOs benefitting repeatedly from grants under different phases of the project. Informal (e.g. non-registered) CSOs and groups of citizens were also able to benefit from the programme through association with a registered CSOs (e.g. for payment transactions).
- ❖ The model of the Community Forum proved to be generally resistant to political interference. While political interests are inherent in the Forum process, the vast majority of the mayors have shown high levels of openness and neutrality. The Forum model itself is designed to minimize political influence, among others through the principle of having external Forum moderator.

6. Way forward

- ❖ In order to increase the systemic impact of interventions in accountability, SDC may consider **expanding its stakeholder base**. This could for example include an engagement in election systems reform to tackle the underlying problem of weak representativeness and oversight function of council members. Working with political parties might be another entry point for achieving impact with regards to accountability. The underlying rationale for such an engagement is the dominant political culture that undercuts any accountability relation apart from upwards accountability within the party.
- ❖ **Building on existing partnership to expand potential impact:** The support to Parliaments could be expanded to work more directly on increasing state accountability towards its citizens, e.g. by promoting more access, information and transparency on Parliament proceedings or supporting the work of Parliamentary committees.
- ❖ **Consistently apply a Whole-of-Government-Approach:** Switzerland is seen as politically neutral country and it could make more use of its political leverage to garner support for its

development agenda with different national stakeholders, including in interventions in the field of good governance in general and on transparency and accountability in particular.

Any open issues or questions at your end?

- ❖ The main unknown that might determine the democratic processes in the country, especially issues related to the accountability, are the early elections to be held on 5th of June 2016. Nonetheless, strengthening oversight role of the elected representatives at local and national level as well as of the civil society organizations, will remain one of the main emphasis of the Swiss support to Macedonia.

Further sources of information:

- ❖ Community Forums 7F-2578;
- ❖ Parliamentary Institute 7F-06767,
- ❖ Civica Mobilitas 7F-05262,
- ❖ Empowering Municipal Councils 7F-08397.

Relevant websites:

- ❖ www.civicamobilitas.org.mk
- ❖ www.forumivozaednicata.com.mk
- ❖ <https://mk-mk.facebook.com/PIMakedonija>
- ❖ www.eda.admin.ch/skopje