Macedonia

by Neda Milevska-Kostova

Capital: Skopje
Population: 2.0 million
GNI/capita, PPP: US$10,880

Source: The data above was provided by The World Bank, World Development Indicators 2011.

### Nations in Transit Ratings and Averaged Scores

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* Starting with the 2005 edition, Freedom House introduced separate analysis and ratings for national democratic governance and local democratic governance to provide readers with more detailed and nuanced analysis of these two important subjects.

NOTE: The ratings reflect the consensus of Freedom House, its academic advisers, and the author(s) of this report. The opinions expressed in this report are those of the author(s). The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. The Democracy Score is an average of ratings for the categories tracked in a given year.
Executive Summary

As in most transitional Balkan nations, Macedonia’s focus in the two decades since independence has been on state-building, establishing a functioning market economy, and meeting membership criteria for international organizations, including the European Union.

The country has made progress on many fronts, overcoming dire economic problems in the 1990s and working to build ethnic harmony after a brief conflict in 2001 between Macedonian forces and Albanian separatists. But a major thorn in its regional relations and its prospects to become a full member of the European community continues over the country’s two-decade naming dispute with Greece.

In a region long divided by national rivalries, the naming issue remains one of the most intractable legacies of Yugoslavia’s disintegration. Since 1999, negotiations brokered by the United Nations have failed to yield a compromise over Greece’s refusal to recognize the “Republic of Macedonia” on the grounds it implies claims to the Hellenic province of the same name. Greece has stalled Macedonia’s entry into the United Nations until it accepts the Former Yugoslav Republic of Macedonia, or FYROM, as its global identity. Athens vetoed its entry into NATO and has used recurring threats to keep Macedonia out of the EU, although the recent financial crisis has led Greece to soften its tone.

But other factors are at play in relations with the EU: expansion fatigue within the 27-nation EU; debt problems and the urgent response to protect the euro common currency; and Macedonia’s own need to undertake significant reforms and to enforce them once they are in place. Although the country has taken steps to decentralize authority, strengthen the judiciary and combat corruption—all markers for progress with the EU—the country risks taking backward steps in other areas, most notably press freedom.

National Democratic Governance. Prime Minister Nikola Gruevski’s Internal Macedonian Revolutionary Organization–Democratic Party for Macedonian National Unity (VMRO-DPMNE) and its main coalition partner, the Democratic Union for Integration (DUI), control 81 seats in the 120-member unicameral Assembly. Since coming to power in 2006, the government has made a priority of adapting Macedonia’s laws to EU standards. Overall, however, the government rules with little input from minority parties, especially on politically volatile issues like the country’s longtime naming dispute with Greece, with leading opposition figures saying they are kept in the dark about negotiations on an issue that could stall Macedonia’s talks on joining the European bloc. Some parties have walked out of the parliament in protest over the ruling coalition’s parliamentary dogmatism. Under pressure from the EU, the Assembly narrowly adopted an antidiscrimination
law in 2010, though critics say it is too weak in ensuring equal rights for sexual minorities and that the final document is out of sync with European legislation. Due to continued lack of dialogue among political options, Macedonia's national democracy rating remains at 4.00.

**Electoral Process.** In March 2010, efforts were made to overhaul the country's electoral districting system. Despite support from some political leaders in the minority Albanian community, the effort was sidetracked for fear of undermining efforts to boost minority political involvement by replacing regional election districts with a single national district. Initiatives have been launched to allow those living abroad to vote, but issues such as eligibility requirements and ensuring proper voting conditions remained unclear. Rules aimed at cleaning up political party and campaign financing have been enacted, including bans on donations from foreigners and anonymous contributions. The government followed up on international recommendations made after chaotic parliamentary elections in 2008 and the presidential election of 2009 to create a high-level steering committee and four working groups on electoral administration, to end voter intimidation, to update the voter registry and to combat fraud. Sixty-five people were charged in 2010 in connection with ballot-box stuffing and other irregularities during the 2008 election. Macedonia's electoral process rating remains 3.25.

**Civil Society.** A new Law on Associations of Citizens and Foundations streamlines the guidelines for registering civil society organizations (CSOs) and expands the ability of groups to engage in money-raising activities, which could help ease their dependence on foreign donors and instill local ownership in activities. CSOs are growing bolder, taking a strong role in legislative drafting and pressure, but there are still shortcomings in developing policy alternatives that could help influence public debates and legislation. Macedonia has thousands of CSOs, mostly concentrated in the capital, leaving a void in rural areas of the country that have economic, environmental and governance challenges of their own. Many also lack the capacity and professional skills to engage effectively in policy discussions or to influence policymaking. In many cases, there is a lack of reporting and transparency in CSOs, signaling an ongoing need for training. Macedonia's civil society rating remains at 3.25.

**Independent Media.** News organizations suffered sharp setbacks in 2010 that undermined their important watchdog role. A new telecommunications law allows the Interior Ministry to gain access to phone or e-mail communication without a court order. More journalists ended up in court as the number of defamation lawsuits hit a record high in 2010, and fines increased. Many lawsuits against journalists were filed by politicians, judges, government officials, or competitors. Journalists, jittery about winding up in court, expressed concern that self-censorship was on the rise. The government’s spending on advertising and promotion further threatened media independence, as there was evidence to suggest advertisements were awarded
to media close to the ruling coalition. In December, one of the country’s leading media owners and several employees were arrested on tax-evasion charges, following earlier raids on the A1 television station and three newspapers owned by Velija Ramkovski, whose media tend to be highly critical of the government. Overall, news media tend to be highly partisan, leaving little room for dispassionate reporting. Many journalists lack the resources and professional skills to carry out complex investigations and to serve as watchdogs. *Macedonia’s independent media rating worsens from 4.25 to 4.50.*

**Local Democratic Governance.** Decentralization continues apace in accordance with international pressure to give Macedonia’s ethnic minorities—including Albanians and Roma—greater say in government. Still, many of the country’s 84 municipalities struggle with providing the necessary administrative and infrastructure capacity. Following elections in 2009, the political alignment in municipalities largely reflected that of the national government, raising the prospect of continued interference in a small country where political alliances are key to power. The government approved a law that would give local governments greater control over state-owned property, in theory allowing them to charge rents or taxes to provide a source of income. For the local governments, this has been a long-desired step, which had been postponed as a result of the central government’s concern about the preparedness of many municipal governments to administer revenues. The government also agreed in 2010 to give municipalities are greater share of the VAT. *Macedonia’s local democratic governance rating remains at 3.75.*

**Judicial Framework and Independence.** Judicial reform is one of the key criteria for EU accession, but Macedonia’s progress in this sphere has been slow. There remain concerns about the professionalism of the courts and the chronic backlog of cases, particularly in lower courts. Serious concerns remain about government interference in the nominally independent Judicial Council—a body that helps select, evaluate and discipline judges—and the Office of Public Prosecutor. Controversial dismissals of judges and undue interference by the Minister of Justice mean that the government continues to fall short of European standards and threatens to undermine the progress that has been made in improving professionalism of the judiciary. On a more positive note, the government in 2010 approved legislation that expands legal assistance to vulnerable and marginalized groups, though implementation could take time. *Macedonia’s judiciary framework and independence rating remains at 4.00.*

**Corruption.** The government took steps to adopt international standards on fighting official misconduct and influence peddling. Outside pressure to tackle endemic corruption appeared to be paying dividends in 2010 with anticorruption operations and arrests of border police officers, health officials, and employees of the Pension and Disability Fund. The Council of Europe, meanwhile, is urging Macedonia to require more transparency in political campaign funding, an area of
concern because of the political dominance of a few main parties, weak opposition, and highly partisan media environment. In response, the government has enacted several campaign financing measures, including financial disclosure of contributions and bans on foreign and anonymous donations. Still, there were other shortcomings, including a lack of staff for the Justice Ministry’s anticorruption office, and the Public Prosecutor’s Office at one point had no internet access. Macedonia’s corruption rating remains at 4.00.

Outlook for 2011. The two-decade dispute with Greece over Macedonia’s official name appears no closer to an end. Within Macedonia, the issue poisons the dialogue on other political and leadership issues, with opposition parties claiming they are kept in the dark about negotiations with Greece and international mediators. Anticipated elections could further stall progress on meeting EU membership criteria and resolving the dispute with Greece as competing parties vie for popular and nationalistic support. The current government has sought to capitalize on nationalism, erecting statues to Alexander the Great, a historic figure claimed by both countries, and further spoiling relations with Greece. The government’s close ties to the Macedonian Orthodox Church continues to influence politics, particularly in social policy.
Since gaining independence from Yugoslavia in 1991, Macedonia has built a parliamentary democracy and has begun to make economic headway after decades of state dominance. Though Macedonia remains one of Europe’s poorest countries, it was the only former Yugoslav republic not to have been embroiled in the nationalist wars of the 1990s.

The country’s head of state is a president who is chosen in universal and direct elections, and represents the country in international relations, is the commander of armed forces, and has right to veto any legislation proposed by the government and adopted by the parliament, although vetoes can be overturned by two-thirds majority of the parliament. President Gjorge Ivanov was elected in March 2009, supported by the major ruling party.

Real power is vested in the prime minister and cabinet, the former appointed by the party or the coalition that controls the majority of parliamentary seats. The single-house Assembly has 120 seats, with parliamentarians chosen from six districts. Prime Minister Nikola Gruevski’s Internal Macedonian Revolutionary Organization–Democratic Party for Macedonian National Unity (VMRO-DPMNE) party has ruled in coalition with an Albanian minority party since July 2006. Together with the Democratic Union for Integration (DUI), VMRO-DPMNE controls 81 seats in the 120-member unicameral Assembly.1 Although there has been speculation of a split between the governing parties over a possible constitutional overhaul, the coalition continued to work together through 2010, though early elections were expected in mid-2011—a year ahead of the scheduled parliamentary vote.2

The last pillar of government, the judiciary, is in principle independent, with numerous local courts and a Supreme Court that is the highest in the country. But the courts have often struggled to attract high-caliber judges, face political meddling, and traditionally have been hugely ineffective in handling caseloads. Recent reforms and improved training capacity offer promise.

Overall, VMRO-DPMNE’s dominance of the Assembly and an often-fractured opposition mean Macedonia generally suffers from weak parliamentary governance and oversight. Dialogue between the different political forces is missing. The opposition in 2010 presented motions of no-confidence against the parliamentary Speaker and the Minister of Interior, which were hotly debated but ultimately rejected. The tense political climate and the need to increase confidence between political actors were highlighted by an incident in the Assembly, when a plainclothes policeman reportedly assaulted some opposition lawmakers.
Macedonia faces regular pressure from the EU for better governance, but is often languid in carrying out reforms. After one year of discussions, amendments to the rules of procedure of the Assembly were adopted in September 2010. The changes are intended to strengthen parliamentary cooperation by setting out the right of the opposition to introduce issues on the parliament’s agenda.

Opinion parties, with support from press freedom groups and civil society, contested a new telecommunications law that allows the Interior Ministry to demand access to e-mail and phone communications—both recorded and real-time—from operators without a court order. The opposition argued that the measure violates privacy laws and is not compatible with European standards and democratic principles.

There was little dialogue on sensitive political issues. Negotiations with Greece over the naming dispute are held under the veil of secrecy and without much coordination among political parties, leading to the decision of the opposition groups to suspend participation in coordination meetings from April to September; the small Democratic Party of the Albanians, or DPA, continued their boycott of the Assembly that began in August 2009 as relations between the former coalition partner, led by Menduh Thaçi, deteriorated. Albanians are the largest ethnic minority, comprising one-quarter of the population.

Opinion parties also opposed a government-backed antidiscrimination law that was adopted in April 2010 after years of contentious debate and pressure from the Macedonian Orthodox Church to water down gay rights provisions. But the law has been criticized as overly broad and not fully in sync with EU standards on hate crimes and antibias standards, an early motivation for enacting protections for Macedonian minorities.

The government’s strategy for substantive involvement of civil society, religious groups and professional associations in the policy development process and in legislative drafting has been implemented with limited progress. A consistent approach to encouraging all-inclusive public participation in decision-making, including appropriate institutional mechanisms, still needs to be developed.

Electoral Process

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Macedonians have universal and equal suffrage, which they can express in regular elections conducted through a secret ballot. Citizens vote and decide about their political options in parliamentary, presidential and municipality elections. The majority rule is applied for presidential elections, as well as for electing mayors. The proportional model is used for elections of parliament members and members of the municipal councils. The country is divided into six parliamentary election units, each of which elects 20 representatives to the Assembly.
An effort was launched in March 2010 to change the district voting system, drawing on results of a survey conducted by the American-based National Democratic Institute (NDI). Backed by several ruling and opposition parties representing the country’s Albanian minority and several civil society organizations, the changes proposed introduction of open candidate lists and voting for parliamentary elections in one rather than six election units. According to the MOST citizen association, the open lists and voting in a single election unit would represent an evolution in the election processes in the country, and a sign of democratic maturity. However, opponents feared the changes would undermine political accountability since candidates would be elected nationally rather than in local districts. Government leaders argued that it would be costly to implement and was unnecessary since outside observers—including the Organization for Security and Cooperation in Europe (OSCE)—have never objected the current electoral arrangement nor pointed to the model as a reason for electoral irregularities. Nevertheless, the DUI party, part of the governing coalition, has expressed support for introduction of a single-election district.

In recent years, the government has enacted legislation aimed at cleaning up political party and campaign financing. The measures, some of which were approved earlier and went into effect in 2010, set donation limits and ban donations from foreigners and anonymous contributions. A report by the Council of Europe’s Group of States Against Corruption, or GRECO, acknowledged the changes, saying they contain “a number of strong features, such as a ban on foreign and anonymous donations, caps and disclosure rules, including quarterly reports on private donations and a prohibition of ‘quid pro quo agreements’.” It remains to be seen how robustly such rules are enforced.

The government has taken other steps to change the country’s election system, in part based on recommendations from the OSCE’s Office of Democratic Institutions and Human Rights following polls in 2008 and 2009. A high-level steering committee and four working groups on electoral administration were created, measures have been taken to halt voter intimidation, harassment, and violence that plagued the 2008 snap parliamentary elections; and voting lists have been updated as a hedge against fraud. In addition, the courts sentenced 65 people in 2010 in connection with ballot-box stuffing and other irregularities in the 2008 elections, though no charges had been filed over reported irregularities in the 2009 presidential and municipal elections.

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Macedonia has no shortage of civil society organizations, or CSOs. More than 5,000 are registered, and most depend heavily on foreign agencies or foundations for survival. Recent legal changes ease restrictions on CSO financing and allow
freedom of association without the need to register as a formal group, a departure after two decades of limitations.

Macedonia’s postindependence constitution guaranteed the right to free association and protections for political, economic, cultural and other beliefs. But it was not until 1998 that the country got its Law on Associations of Citizens and Foundations, which governed the civil society sector. The law was rather ambiguous on the definition of an organization of public benefit, and restricted the right to engage in schemes to generate income that could be used for the public good.

A law enacted in April 2010 overhauled the old CSO legislation. It is more easily understood, reversed old bans on the establishment of CSOs by foreign entities, and removes limitations on raising money to support operations. The new rules also expand the ability of CSOs to work in the fields of promoting democracy; rights of the disabled, children, vulnerable groups and animal welfare; healthcare and social welfare; culture; sports; environment protection, science; and public philanthropy.

The law also changes the registration of the associations and foundations, replacing the previous system that was maintained by the courts with a registration agency. According to the law, all associations and foundations have to re-register within one year. Compliance was complicated, however, because of delays in adopting the rules and regulations governing the new system.

The EC’s 2010 progress report on Macedonia welcomed the legislation. “The newly enacted [law] provided for wider practice of the right of association. This was extended to legal entities, foreigners and minors, and the right to associate without needing to register a formal legal entity,” the report said.

Yet challenges to creating a more dynamic Macedonian civil society remain. Many CSOs are weak and have little ability to project influence. Most organizations are centered in the capital, Skopje, and focus on national policy, leaving a void in the smaller towns and remoter regions of the country. There is a dearth of staff training and professionalism. Some organizations fail to file annual reports highlighting their expenditures, and overall, financing remains a major problem.

### Independent Media

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Press freedom suffered sharp setbacks in 2010, undermining the important watchdog role that news media play in a transitional nation. In a year already marred by raids on leading news media, arrests, and a record number of defamation cases, a new telecommunications law allows the Interior Ministry to gain access to phone or e-mail communication without a court order, reviving old fears of the authorities eavesdropping on telephone journalists’ telephone conversations.
Despite a government pledge to stop pressing charges against reporters and editors and steps taken in 2006 to decriminalize defamation, Macedonia saw a record number of defamation cases (170) in 2010, typically against journalists seen as critical of the ruling coalition. The majority of the lawsuits were filed by politicians, although judges, municipal officials, businesspeople, and media owners were also among the plaintiffs.16 Journalism rights groups have expressed concern that in some cases the fines are high enough—in one case as much as €30,000—to force small news organizations into bankruptcy. The editor of the Fokus political weekly says that fear of defamation suits and costly fines had already begun resulting in self-censorship. “Our story is a sad reflection of the state of Macedonian democracy and media freedom,” Jadranka Kostova told the Balkan Insight news website.17

The telecommunications law that entered into force in June sparked an outcry among journalists and opposition politicians, who claimed that the law was not in line with EU standards. The law would permit the Interior Ministry to demand access to e-mail and phone communications from telecoms operators without a court order. For journalists, this recalls the 2001 phone-tapping surveillance of journalists and politicians, also under a VMRO-DPMNE administration.18

Katerina Blazevska, an editor of the Skopje daily Dnevnik, was one of the journalists whose phones were tapped by Macedonian authorities in 2001. Responding to approval of the new law, which requires communications companies to store all mobile calls and e-mails for one month, Blazevska told the online magazine, Transitions Online: “Soon the only free citizens in our country will be those who don’t use cell phones and computers. If we exclude the elderly that have never started to use these gadgets and people from rural areas, the results are going to be one big fiasco.”19

Journalists face other challenges. Partisanship and an overwhelming focus on politics, sports, and celebrities undermine reporting on the nation’s social, educational, and economic challenges. Balanced reporting is gradually being squeezed out by political and business interests. For a number of years, the Macedonian government has been spending large amounts of money on both domestic and international public relations advertising for the country. A recent State Audit Office report shows that 10 million euros was spent on advertising in 2009, and estimates for 2010 put the figure higher.20 In 2008, the government was the second biggest advertiser in the country, after the T-Mobile telecommunications company.21 While some of the advertising is “in the public interest,” a number of spots feature symbols or flags of the governing parties, according to Zoran Stefanovski, president of the Broadcasting Council, an independent regulatory body. Lucrative advertising spots and tenders are allegedly awarded to businesses and news media that have ties to the dominant VMRO-DPMNE party, which could discourage neutral coverage of the government’s activities.

The Broadcasting Council surveyed MRT, the public broadcaster, for a three-day period in October 2010 and found that 18 “large-scale promotional campaigns” aired, along with 10 spots for smaller campaigns and 13 long segments promoting “the government’s accomplishments.”22 Government selectivity in awarding
advertising, combined with financial pressure applied through defamation cases and revenue investigations, is likely to further contribute to self-censorship and partisan journalism.

With the media atmosphere becoming increasingly polarized, journalists and publications taking a critical view of the government often face intimidation. Branko Geroski, the editor of the daily Spic, voiced concern about the state of free speech and media rights, saying journalists routinely face threats for doing their jobs. In May, Milenko Nedelkovski, a Kanal 5 television presenter known to have close ties to Prime Minister Gruevski and the VMRO-DPMNE party, publicly issued a list of journalists he considered “traitors” to Macedonia, and openly called for their “liquidation.” Condemned by the Association of Journalists of Macedonia (AJM), the case took on new proportions in November, when Nedelkovski filed a defamation lawsuit against Žarko Trajanovski, a columnist for the daily Dnevnik, who criticized the Nedelkovski’s threats against other journalists.

In July, eight journalists were fired from Kanal 5, which is owned by Emil Stoimenov, the son of a politician with close ties to the government. One of the fired journalists claimed that the chief of the prime minister’s cabinet, Martin Protoger, was “constantly interfering” in the station’s news operations by “ordering stories and censuring free speech,” although Kanal 5 maintained that the reporters were dismissed for financial reasons.

Press freedom appeared to suffer another blow at the end of the year when one of the country’s leading media owners and more than a dozen employees of the A1 television station were arrested on purported tax-evasion charges. The arrest of Velija Ramkovski and the others followed earlier raids on the station and three newspapers owned by Ramkovski. Several staff were allegedly roughed up the police, who reported they were assisting revenue inspectors conduct a financial audit of other companies housed in the building. Ramkovski had supported Gruevski until a 2008 divergence, at which point A1 TV and his other media, which include the Spic, Vreme, and Koha e Re newspapers, became increasingly critical of the VMRO-DPMNE government. A1 TV has accused the government of political intimidation and censorship, while pro-government media such as Kanal 5, Sitel TV, and the state-owned broadcaster, MRT, rebuffed A1 TV’s claims.

Amid the troubled media environment, the Public Broadcasting Service remains on financial life support. In 2008, the government pumped in cash to save it from bankruptcy. Two years later, a new system for collecting the broadcasting fee was introduced that issues monthly invoices to property owners and registered electricity users, who can also choose to pay fees through direct bank debits. Collections have improved, but there is broad agreement that a more sustainable funding mechanism is needed.

Meanwhile, the Broadcasting Council, an independent regulator, has faced scrutiny over rules requiring broadcasters to provide subtitles in the Macedonian and Albanian languages for foreign programming. This appears to violate European rules on freedom of reception and retransmission under the EU’s Audiovisual Media Services Directive.
Local Democratic Governance

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Since the Ohrid Framework Agreement was signed in 2001, ending a brief war between Macedonian forces and Albanian separatists, significant political and constitutional changes have been implemented to expand minority representation and rights at both local and national levels. One of the key reforms was to decentralize decision-making, handing more power to the country’s 84 municipalities.30

Municipalities are governed by a mayor and council, elected based on closed candidate lists proposed by each party or coalition. The number of council seats is defined by population. In March 2009, in parallel with the presidential elections, the citizens for the fifth time since independence voted in local elections. In 56 of 84 local governments, the ruling party captured the majority and in 14 local governments, the main coalition partner won.31 The result meant that the power in both tiers of the government—central and local—would be concentrated in the same hands, and unless local governments exercise independent authority, could stifle innovation in dealing with local challenges in employment, education and economic opportunity.

Financing remains one of the major concerns for municipal operations, and a hindrance to better self-government. The government amended revenue laws to gradually raise the share of the value added tax transferred to municipalities from 3 percent to 4.5 percent. In November 2010, the government also moved to address financing through legislation that turns over control of state-owned land to local authorities, opening the possibility that municipalities could collect rents, property taxes or profits from land sales to help fund operations.32 The measure—strongly supported by local authorities—was delayed by the central government over concerns that local governments did not have the necessary administrative training to handle collections and oversight. Steps were being taken to establish tax-collection and administrative agencies. Nonetheless, concerns remain about the stability of some heavily indebted local governments and how those debts will be paid.

Judicial Framework and Independence

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Macedonia’s judiciary consists of 27 courts of first instance, three appellate courts, a Constitutional Court and the Supreme Court—the highest in the land. The Constitutional Court handles cases between the different branches of the government.33

For years, the judiciary was marked with slowness, bulk bureaucratic procedures, and political pressures, requiring a substantial overhaul to help ensure
the independence of judges—one of the key criteria for EU accession. Progress is beginning to show in the form of greater efficiency, aided by a slight increase in the budget for courts. Steps have been taken to remove judges for abuse of power, and more effort has been invested in professional development through the Academy for Training of Judges and Prosecutors.

Still, greater freedom from political influence has not been achieved. Senior government officials have been known to publicly criticize court rulings, undermining the judiciary’s actions. The European Commission, the EU’s executive arm, has expressed concern about the justice minister’s continuing influence on the Judicial Council and the Office of Public Prosecutor, which in principle are independent. The Judicial Council plays an important role in screening candidates for judgeships, as well as evaluating and disciplining sitting judges, yet the EC has raised questions about the qualifications of some council members. The Council on Judicial Reform does not hold regular meetings, undermining its important oversight role. Overall, the EC’s progress report says, “Controversial dismissals and undue interference by the Minister of Justice indicate that the current system is not in compliance with European standards.”

Changes regulating the judiciary were enacted in 2010 to address some of the shortcomings. Disciplinary cases held before the Judicial Council were opened to the public. More efforts are being taken to base judges’ competence on performance, although the Council of Europe has recommended that judges’ professional ability be based on qualitative criteria rather than how many cases they clear. Other reforms set a unified salary system for judges, prosecutors and members of the Judicial Council and the Council of Public Prosecutors to replace a previously arbitrary system.

An automated case management system was completed and made fully operational in all courts, improving recordkeeping and efficiency in clearing dockets.

A law providing legal aid for marginalized groups went into force in July 2010, clearing the way for bar associations and civil society organizations to expand legal support to those who cannot afford lawyers. The law provides legal aid to a range of population groups, including those on social security, pensioners, single-parent families and asylum seekers; the free legal aid can be used in all court and administrative proceedings.

Combating fraud and graft is a key marker for Balkan states seeking to join the European Union. Macedonia has made important strides in this area since it became an EU candidate in 2005. Transparency International ranked Macedonia 62 out of 178 countries in its annual Corruptions Perception Index, up from 72
in 2009. The World Bank puts Macedonia ahead of all its Balkan neighbors in its annual “Ease of Doing Business” rankings that factor in transparency and legal enforcement of contracts.\textsuperscript{35}

In 2010, the Macedonian Assembly took steps to overhaul and strengthen the Law for Prevention of Corruption, drawing support from the European Commission.\textsuperscript{36} The Council of Europe’s Group of States Against Corruption, or GRECO, noted the will of the government to fulfill its obligations under the Criminal Law Convention on Corruption and amend the country’s criminal code to bolster corruption-related provisions.

GRECO’s report also notes that Macedonian law “provides an effective basis for the investigation, prosecution and adjudication of corruption offences.”\textsuperscript{37} The same report notes, however, that in practice there is ineffective enforcement and loopholes in campaign funding laws and recommends more than a dozen changes to strengthen corruption-related rules and enforcement, including greater reporting and transparency on non-cash donations to political parties.\textsuperscript{38} Laws aimed at cleaning up political party and campaign financing have been enacted, setting donation limits and disclosure rules, and banning donations from foreigners and anonymous contributions.

Authorities carried out several major anticorruption operations in 2010, arresting border police,\textsuperscript{39} healthcare workers,\textsuperscript{40} and officials in the Pension and Disability Fund.\textsuperscript{41} Further, the interministerial working group for monitoring the state anticorruption program held its activities regularly. The country has also initiated the procedure for acceding to the Organisation for Economic Cooperation and Development’s Convention on Combating Bribery of Foreign Public Officials.\textsuperscript{42}

Some infrastructural and human resource issues still remain unresolved, such as lack of staff for anticorruption in the Ministry of Justice, or no internet access to the Public Prosecutor’s Office.\textsuperscript{43} Furthermore, the overall effectiveness of corruption-fighting efforts in Macedonia will remain in doubt without an independent civil service or a judiciary that fiercely defends its oversight role, and as long as news organizations and CSOs play weak roles in holding public officials and politicians accountable.

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VMRO-DPMNE won 63 seats in the last election held in June 2008. The Coalition partner, DUI, headed by Ali Ahmeti, is an Albanian minority that won 18 seats in the 120-member Assembly.


Ibid.


Ibid.


Ibid.

Ibid.


38 Ibid.


