

KEY TAKEAWAYS FROM CROATIA'S PARLIAMENTARY ELECTIONS

Ruling HDZ See Off Opposition – But Face Challenges To Form Governing Coalition

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SUMMARY

Prime Minister Andrej Plenković's Croatian Democratic Union (HDZ) has emerged victorious from Croatia's parliamentary elections, winning 61 seats in the 151-member assembly according to official results, but falling short of a majority. The party now faces a challenge to form a governing coalition.

Having previously won 66 seats in the 2020 election, Plenković's HDZ beat the centre-left coalition led by the Social Democrats (SDP), who came in with 42 seats, ahead of the right-wing Homeland Movement with 14 seats. The election on the 17th of April was seen as a litmus test for Plenković and the HDZ, having overseen Croatia's accession to the EU, the introduction of the Euro and significant growth in the tourism sector. The long-term support it has enjoyed suffered against a backdrop of corruption scandals, high inflation and voter fatigue with a party in government for almost a decade.

The result is a disappointing one for the SDP, backed by Croatian President Zoran Milanović, who had hoped his emergence in the race would rally support for the SDP, or at least against the HDZ. This failed to manifest, leaving the President in limbo and the party on the back foot.

Croatia now looks set for a period of political instability as the two leading parties attempt to form a coalition across the spectrum. The right-wing Homeland Movement, with 14 seats, is a potential kingmaker, although has yet to reveal which party it would back. Beyond them, the Greens attained 10 seats, with ultra-conservatives receiving 11. As a result, and given the loss of 5 seats from the last election, the HDZ faces an uphill task to form a coalition.

While the HDZ was expected to attain a full majority or at least form a minority cabinet, failure by the SDP to capitalise on socio-political discontent with the political establishment is a definite blow to


their prospects. In addition to growing anti-government sentiment over alleged corruption under the HDZ's rule, Croatian politics has been turned upside down after the SDP-aligned President announced a controversial run for Prime Minister. Milanović aims to succeed his main rival as PM without resigning from office, which has prompted the Constitutional Court to ban him from running for PM. Milanović however has accused the top court of being influenced by HDZ and refused to respect their decision.

Based on the results of the elections, the most likely scenario moving forward is that the Plenković-led HDZ will remain in power, either via a full majority or by receiving sufficient support for a minority cabinet. A less likely scenario is that SDP is able to rally fringe parties effectively to have a chance at forming a government after eight years of HDZ rule.

ELECTION RESULTS

Parliamentary Election Results Breakdown			
Party/Alliance	Leader	Vote Share	No. of Seats
HDZ	Andrej Plenković	34.44	61
SDP	Zoran Milanović	25.41	42
DP - Homeland Movement	Ivan Penava	9.57	14
Možemo!	Sandra Benčić	9.06	10
MOST	Nikola Grmoja	8.02	11
Our Croatia	Davoriko Vidović	3.40	4
Focus-Republic	Damir Vandelić	2.25	1
Others	-	-	8
Total			151

(Source: Izbori. Turnout: 62.31%)

 Below, Aretera provides further insight into the results of the Croatian parliamentary election campaign, the possible forward scenarios, as well as the likely political and policy implications.

POST-ELECTION LANDSCAPE

In line with Aretera's pre-election forecast, centre-right Prime Minister Andrej Plenković's HDZ, has beaten the progressive SDP, winning 61 seats to the SDP's 42 amidst a record voter turnout of 62.31%. Despite the win, the HDZ lost 5 seats from the 2020 elections.

With no governing majority as of yet, the race is on to secure a coalition agreement with fringe parties; the right-wing Homeland Movement is well placed to put either side in a strong position,

although their allegiances have not yet been confirmed. Alternatively, an extension of the SDP coalition to include the Greens is a distinct possibility, but would still not be enough to attain a parliamentary majority.

If no agreement is reached, a snap parliamentary election will be required to break the deadlock, which would see the current PM-President rivalry continue.

While the HDZ remains Croatia's most popular party, its reputation has been tarnished by a series of corruption scandals in recent years, as well as accusations of illiberal tendencies over a controversial law that punishes public whistle-blowers. The ruling party has also faced considerable domestic criticism for appointing Ivan Turudić as Croatia's Prosecutor General: the opposition claims that the former judge has connections to people involved in corruption.

With both European Parliament elections and Croatia's presidential elections set for later this year, this parliamentary vote promised to be the first in a series of major tests for the ruling party. Despite HDZ suffering a setback, it remains in pole position to continue governing.

LIKELY IMPLICATIONS: ELECTORAL & POLICY

From an electoral perspective, the likely scenario is that the HDZ successfully forms a coalition. In the absence of both this and a centre-left coalition, Croatia may head for a second election later this year. This would mean the appointment of a caretaker government and subsequent uncertainties regarding political stability.

From a policy perspective, under the Plenković Government, Croatia has been a committed supporter of Ukraine amidst the ongoing Russian aggression. Under a prospective Milanović Cabinet, who has emerged as a 'maverick' figure, Croatia's Ukraine policy could be less straightforward. Milanović has previously voiced some dubious views of Croatia's role in the war, publicly questioning military aid to Kyiv. Neither the SDP nor Milanović can be characterised as being anti-NATO or pro-Russian, however, but rather these sentiments represent his opposition to the previous government's handling of the crisis.

Assuming the HDZ successfully forms a coalition, a new government led by Plenković, who has become one of the most influential Prime Ministers of the European People's Party (EPP) in recent years, would mean that Croatia's EU orientation would stay on track and the HDZ's shift away from nationalism and towards centrism would be cemented.

LOOKING AHEAD

If Plenković's party can effectively form a governing coalition, it could positively impact HDZ's chances in the upcoming EU parliamentary and Presidential elections. The parliamentary election is the most significant electoral contest in Croatia's 2024 election cycle, however the President – in addition to his ceremonial duties – also has a say in security and foreign policy, making the position politically influential, especially if the next President comes from the opposition party.

Should the SDP stay in opposition, Milanović is likely to seek a second term as head of state, while an unlikely opposition coalition could create momentum across the next two elections.

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