
Populist Authoritarianism and Corruption: The Case of the Republic of Macedonia

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Abstract. After the fall of the Berlin Wall in 1989 and the collapse of the Yugoslav Federation in the 1990s, the countries of the Western Balkans embarked upon the path of democratization, political pluralism, the free market, and the expansion of civil society, putting an end to Communist apparatchiks, dictatorship of the proletariat, worship of Communist Party leaders, unlimited state power, socialist populism, anathematizing internal and external enemies, censorship of the media and the red bourgeoisie. Unfortunately, corruption - a term normally reserved for capitalist countries, despite the widespread practice of bribery in socialist states - has also made its appearance in these new democracies. The scant episodes of corruption "discovered" in the communist era focused criticism on the small apparatchiks of the Party or on the business world, seen as the "enemy" of the working class and socialism. At the beginning of the transition it was naively thought that all the "demons" of the communist system would disappear, but it has been seen that this would not be so.

Today, in the Balkans, the spirit of populism and the manipulation of crowds reigns, and the demagogy of politicians is enriched by authoritarianism and sophisticated systems of corruption. The case of Macedonia is very significant in this regard. VMRO-DPMNE leader Nikola Gruevski, who won the parliamentary elections in 2006 and still maintains power, began his mandate by promoting a war against corruption, for which he even hired former Romanian prosecutor Monika Macovei to serve as an anti-corruption advisor of his government. But the discovery by the opposition of a large network

of wiretaps organized by the Ministry of the Interior have revealed the extent of corruption of the current Gruevski government.

The leaders of communist Yugoslavia were barely apprentices in comparison to the magnitude of the corruption of the current power elite. Some projects such as *Skopje 2014*, the roads built by Chinese companies, or the Actor case have revealed the existence of significant influence trafficking for the benefit of politicians and the companies that finance the party in the power. Faced with challenges of this magnitude, the Macedonian justice system has not been able to undertake a single legal procedure for corruption against the members of the Government. For that reason, the international community has encouraged the creation of a Special Prosecutor's Office with the mandate to initiate a judicial proceeding on the corruption of the political elite, as it was evidenced by wiretapping records.

The pathologies of political power, such as authoritarian populism, go hand in hand with corruption. How to fight against it? First, through institutional and non-institutional control over power, that is, through the application of a system of checks and balances. On a second level, by the meticulous and expert analysis of the sources of corruption. And, at a third level, for regional and international cooperation to change the point of view of the fight against corruption and the creation of a methodology to fight against it.

Keywords: corruption, authoritarian populism, Macedonia

1. Introduction

If one were to diagnose the systemic deficiencies of the Republic of Macedonia in three words, these would be "unemployment", "poverty" and "corruption". But this Macedonian cocktail would become even more bitter if to it were added populist authoritarianism, demagoguery, identity crisis, and mixed in with it, the bankruptcy of the *checks and balances* system and the absence of the rule of law.

With regard to unemployment and poverty, we are faced with weaknesses inherited from the Tito's system. In this period of history, Macedonia was –along with Kosovo and Bosnia and Herzegovina– one of the poorest Republics of the Yugoslav Federation. After the emergence of the Fund for the Less Developed Republics of Yugoslavia, Macedonia became one of the biggest users of state financial aid. Unemployment was around 18% in the context of a state economy. Corruption and bribery existed within the Balkan and Communist patterns, within certain minimum limits. There were no tycoons or millionaires. Even though some highly objectionable examples were verified, the communist parties reacted with the application of their ideological principles and the judicial and repressive means. The glamor was reserved for the jet set and the *red bourgeoisie* of Yugoslavia.

After independence, in 1991, Macedonia had to survive a very difficult transition. The dissolution of the Yugoslav Federation and the disappearance of the Yugoslav single market, as well as the tragedy of the ethnic war and a bad privatization destroyed the Macedonian economy. As of 1995, unemployment reached 30% of the country's workforce. Despite the efforts of the various parties that succeeded to resolve this problem, unemployment has become - after the controversy over the name of the country - the main theme of each election campaign. Today unemployment is still very high, and officially reaches 28%, but the opposition refuses to recognize this supposed "success" of the government. The current ruling party, VMRO-DPMNE, in government since 2006, has employed two mechanisms to control the unemployment rate: on the one hand, it has doubled the number of public employees, especially through the incorporation of its faithful to the administration; and on the other hand, it has introduced the distinction between "active unemployed" and "passive unemployed" through the Employment Agency, bringing down the number of unemployed to a significant extent - statistically.

However, in the multiethnic society of Macedonia the welfare state does not work, being supplemented by family solidarity to get out of poverty. Meanwhile, the crisis of identity has become widespread, creating very favorable ground for nationalist and populist demagoguery.

Since 2008, the date of the second consecutive victory in a parliamentary election of the rightist VMRO-DPMNE, its young leader Nikola Gruevski inaugurated an authoritarian system in the fight against the corruption that put a special focus on the magnates and the wealthy close to the previous left-wing government. From 2007, Gruevski had enrolled in this effort the former Romanian prosecutor Monika Macovei, known as the greatest fighter against corruption in the Balkans. The wide range of legal means made available to Macovei provoked a strong reaction from the opposition and the experts. New investigative means were introduced, including wiretaps (Law of Continuous Communications) and asset forfeiture measures in cases where the owner of the assets could not provide evidence as to their origin (Criminal Procedure Act). According to prof. Gordan Kalajdjiev from the Faculty of Law, "fighting corruption rather than helping to build the rule of law can lead us to a police state" (Duvnjak, 2008). In response to the criticism, Macovei's response was concise and clear: "I hope to maintain good relations with the Prime Minister and with the citizens, since my advice will be mainly for the benefit of the people" (Rusi, 2007).

Meanwhile, the police multiplied their actions by arresting numerous individuals suspected of corruption, but operated in a selective manner, prioritizing the investigation of people close to the previous government, and with great media impact, in the presence of television cameras (Rusi, 2007). This would be Gruevski's most popular moment when his levels of popular support were five times greater than those of the opposition leader. But it would also be the moment in which he would begin with the authoritarian, demagogic and corrupting drift of his government, which would end in 2015 with his resignation to the position of Prime Minister, the creation of a Special Prosecutor, and the call for early elections, all as a result of the signing of the Pržino Agreement. Indeed, this was an absurd outcome for a story that began when the country's new strongman, Gruevski, brought Monika Macovei to fight together against corruption, and ended with his conversion into the number one target of the new anti-corruption crusade of the Special Prosecutor's Office. How to explain this degradation of the most popular politician in the Republic of Macedonia? Why did the checks and balances system fail? Was it the result of his populist authoritarianism mixed with the

organized crime activities of his closest collaborators? Or was it his ambitious and megalomaniac personality, his desire to mark the history of his people and to remain in power as long as possible? In an effort to conduct an analysis of corruption and organized crime, at least the three above-mentioned factors may be discovered; each of which are mutually interdependent in the case of the degeneration of *Grudevism* (Vankovska, 2015).

In spite of the obvious arguments against him - known mainly through wiretaps in the possession of the opposition, and thanks to the creation of a Special Prosecutor's Office –Gruevski and those surrounding him remain untouchable for justice–. In Macedonia, the judiciary –including the Constitutional Court– is completely controlled by the government and the ruling party, while the Special Prosecutor's Office is defenseless as a result of the absence of a Special Court under its authority, since the First Instance Court refuses to accept and recognize the decisions of the Special Prosecutor's Office.

2. Demagogy and populist authoritarianism in Macedonia

"It may seem imprudent," said Machiavelli, "that, born in a dark condition, I dare to give rules of conduct to those who govern." (Machiavelli, 1976: 8). These princes whom Francis Bacon considered "the idols of the tribe," these "fathers of the people," sometimes great or small dictators, these strong politicians still exist in our minds and in the political realities of Europe and elsewhere in the world. In the Balkans, from Slovenia and Croatia, through Hungary, Serbia, Bosnia and Macedonia, to Albania and even Greece, populism and demagogy are in full expansion. Nationalism, statism, a rule of law deficit, organized crime, and corruption are the permanent attributes of demagogy.

In the Balkan region, which is split between EU Member States and those aspiring to EU integration, and inhabited by people frustrated by poverty, unemployment and the crisis of identity, all sorts of demagoguery and populism have opened up. In this context, the Macedonians wonder: who are we? Are we just former Yugoslavs?

New Macedonians? Ancient Macedonians? Macedonians like those of the times of Alexander the Great? Slavs? Slavobulgarian? Slavserbs? Atheists or Orthodox Christians? And if all these doubts aren't enough, now come those generated by the neoclassicism promoted by the *Skopje 2014* Project, which we do not know whether it is authentically reflective of past architecture or giving birth to a new style.

Rhetoric and propaganda, mass movements, manifestations of strength or faith are among the mechanisms used by Premier Gruevski's megalomania to transform and dominate the psychology of the crowd. His speech is, in fact, a rupture with the past, with the political, ideological, cultural and even architectural identity of the country, and consequently make him to be the demagogue par excellence.

These strong men understand power as a drug that creates addiction from the first dose. Intoxicated by power, they enter into authoritarianism, blindness, populism, and intolerance towards those who do not think like them. The populist is a maker who builds idols and myths, and who exercises their authority as a leader of the masses without concessions towards those who differ in their political, religious, or racial vocation.

As in the case of Viktor Orbán in Hungary, Janez Janša in Slovenia, Tomislav Karamarko in Croatia, Aleksandar Vučić in Serbia, or Milorad Dodik in Republika Srpska; as with Greek or Albanian populism, Macedonian gruevism has contributed to turning the Balkans into the theater of identity and cultural populism, of national-populism, of neopopulism in the twenty-first century.

The spirit of the Orbán method thus hovers over the Balkans: close control of institutions and media has moved from Budapest to Skopje. And when this type of control comes from a member country of the EU, all criticism of our local populists is diminished in every way. Logically, EU authority against the Balkan demagogues is also weakened, since the enforceability of the Copenhagen criteria is weakened.

Is it populism's fault? Populism places the nation, the crowd, the populace at the center of the political debate, which the populist considers as a homogeneous entity. Populism is nourished by a whole

series of moral stereotypes: the modest Macedonians, patients and hardworking workers, always plundered; the Albanians, always exploited and deceived; the Serbs, naive and capable, but manipulated and impoverished by the new rich or by the old Communists. In Macedonia, our peasants are the best of the Balkans. And their greatest enemy is that opposition, incapable and corrupt, whose main interest is not the farmer but power. The ideology of populism is based on the dichotomous and horizontal division between the people and the elite, between "us down here" and "you up there". And, in parallel, in the vertical plane, the demarcation is also carried out with respect to the others within the same people (who have a different ethnic group or race, or belong to another political party) or with respect to foreigners. This creates a space conducive to both xenophobia and nationalism.

3. Manipulation of the multitudes

As Serge Moscovici (1985) has written, "crowds are ready to fall under the pressure of their emotions, to express their rapture or their panic. When it comes to arguments, the best way is to repeat the same phrases, the same attitudes again and again." In this same logic, Gruevski and his *spin doctors* have been manipulating the emotions of the Macedonians. In this case, the process of generalized persuasion and propaganda through the media has shown to play a predominant role.

Already in his *Psychology of the Masses* (1895), Gustave Le Bon wrote that "in conditions of crisis it is very easy to persuade men to believe in miracles. Man is hungry to be manipulated and deceived in order to remain hopeful." In Gruevski's Macedonia, it has been very easy to convince the poor masses, the unemployed, the farmers, the citizens in general, to believe that they can return to the times of Alexander the Great or Philip, Cyril and Methodius, or of Czar Samuel. In times of economic crisis, social crisis and identity crisis, populism understands that the individual hardly accepts a reality that does not go beyond poverty and loneliness.

The man on the street dreams of a different reality with new hope, even if it is unreal. When this man finds himself in the crowd, he loses even more of his sense of realism; you need a leader, a messiah, a boss who decides on your behalf. It is enough that your leader verbally satisfies his dreams, all the while you feel humiliated listening to him. The problem is even greater if the populist is a megalomaniac, who not only uses the spoken word but also symbols and their collective imaginary. Perhaps St. Thomas Aquinas was right when he said that man can not understand anything without images. That is why the populist creates monuments, images to better persuade the crowd. That is why the *Skopje 2014* Project, promoted in 2011 as a megalomaniac initiative of 800 million euros, marked by the largest statue of Alexander the Great (35 meters) in the world, and marked by a triumphal arch, a hundred sculptures and monuments to the different historical times, and an endless display of neoclassical facades, became the main symbol of this manipulation of the public space –as well as the greatest consumer of the public funds of the country–. The main idea of Gruevski was the rupture with the immediate past –with the communist architecture–, for the sake of a new beginning, of the creation of a new space for a new and genuine Macedonia. Ljubiša Georgievski said that being a member of VMRO-DPMNE meant to have the blood and the gene of Macedonia. The new and true Macedonian is lucid, ambitious and heroic, in direct opposition to the old stereotyped image of a peaceful, obedient, submissive, and frightened Macedonia.

Gruevski authoritarianism is coupled with its populism. The crowds should listen more and not think so much, because their leader does instead. But if by chance they think, they have to be coherent and consistent in their ideas and thoughts. The Gruevski authoritarianism is an identity and demagogic populism that threatens democracy: that imprisons journalists and opposition; that orders the expulsion from Parliament of opposition members by the police (12.24.2012); that closes television stations whose editorial policies are beyond their control; that organizes protests outside opposition headquarters; that is suspected of being behind deadly accidents; that listens in on 20,000 opponents; that falsifies elections; that corrupts the electorate; that practices nepotism, corruption, blackmail, and the politics of fear; that threatens the destruction and punishment of former coalition

partners; and that completely *party-fies* the executive functions. It is the populism of he who is considered to be called by history to change the destiny of his people. Unity and homogenization are an absolute imperative for any populist. Thanks to its dogmatism, it transforms the psychological state of the crowd toward the intolerance of those who think differently. It opposes pluralism in society. Those who take different positions risk being attacked, imprisoned, expelled or punished. The populist has nothing to negotiate with those who oppose his attitude. He does not argue with his opponents. For him, negotiation is not possible with the enemy. People can not afford that luxury. The people decide everything. The people advance; the others stop! But behind these sentences many sins are hidden: for example, the enormous corruption, organized crime, or the control of the society through the illegal eavesdropping.

4. Corruption

Corruption is a perversion or deviance in a process, or interaction within the framework of it with respect to one or more persons, for the purpose of obtaining special benefits or prerogatives or, from the perspective of the corrupt, to obtain remuneration in exchange for favor given. It usually leads to the personal enrichment of the corrupted, or to the enrichment of the organization of the corruptor, be it a mafia group, a company or a group of interest. There are several definitions of corruption, but the common point to all of them is that it is an abuse of power for the purpose of personal enrichment.

Corruption in the Republic of Macedonia is a major problem. According to the report of the United Nations Office on Drugs and Crime (UNODC, 2011), the incidence of corruption in Macedonia is more urban (6.4%) than rural (5.8%), and more male (7.3%) than female (5.3%). Cash payment is the most common way to practice corruption (45%), although almost 32% have offered to pay for food or drink for that reason. 50% of bribes are paid at the request of the public official. The weaknesses that cause corruption in public administration have to do with bureaucratic procedures: more than 50% of citizens who participated in corruption, gave money to shorten a procedure, 12% did so to finalize it, 11% to aspire to a better

treatment, and 12% gave the bribe without any specific purpose (UNODC, 2011: 4). The frequency with which bribery is used to reduce waiting time in an administrative procedure probably has to do with the fact that in Macedonia the most corrupt are doctors: more than half of the citizens surveyed (58%) have paid a bribe to doctors, over 35% to the police, 17% to different officials, and a smaller percentage to teachers. Most of those who offered food or drink (63%) said they had done it for the first time, and prefer to remain anonymous for this act.

In a country like Macedonia where unemployment is so high (30%), almost 20% of the population dreams of finding a job in the administration. Between 2006 and 2016 –the Gruevski-controlled government period– the number of public employees increased from 60,000 to 180,000. Political affinity, cronyism, nepotism, patronage, and bribes became the major recruiting factors on the part of the administration. According to surveys, only 7% believe that recruitment is done based on merit. On the eve of the 2008 parliamentary elections and the 2009 local elections, only 5% of the administration's respondents acknowledged that they had been asked to vote for a specific candidate. But that does not mean that the question of blackmail and harassment does not play an important role in the influence of political parties on the electoral behavior of the administration.

5. Corruption of the high order

As a result of the worsening political crisis following the opposition's decision to publish wiretaps and leave the Macedonian Parliament, the international community decided to tackle the crisis. In April 2015, the European Commission established a group of independent experts headed by the former Director of the European Commission Reinhard Priebe. The group led by Priebe concluded that the National Security Agency held a great concentration of power than was allowed by law, and proposed a number of recommendations on improving democracy, respect for human rights and the rule of law. Each recommendation was aimed at ensuring the separation between the political class and the public interest of the State, the transparency

and freedom of information in the media, the independence of the judiciary, and oversight over intelligence activities that had subjected 20,000 people to espionage, including ministers and the Prime Minister. The recommendations mostly included measures for the prevention of corruption and the punishment of corrupt businesses (Priebe, et al., 2015).

But even before the discovery of the big corruption scandals through wiretaps, some cases of corruption had been detected by senior leaders of the ruling VMRO-DPMNE party, such as the sale of Makedonska Banka or the "Actor" case. The Actor case involved signs of corruption that were detected between the government and a Greek company that won a tender for the construction of a short stretch of motorway. The government illegally withdrew 3.5 million euros in EU funds thanks to bribes paid to the company. But these cases were not sufficiently disseminated as a result of the corruption and control over the private and public media (Petkovski, 2014). In fact, since the triumph of the VMRO-DPMNE in the early elections of 2008, the number of sectors of Macedonian social life immersed in cases of corruption has multiplied: from the massive corruption of the voters themselves, through media communication, to the rampant corruption of local communities - of which 90% are under the control of the Prime Minister's party - and ending in Gruevski's nepotism and other party charges. All of this would be noted, among others, by Ambassador Alexander A. Arvizu, Assistant Secretary for Europe and Asia in the US Department of State (SELDI, 2016). The same finding would be confirmed by the *rapporteur* for Macedonia of the European Parliament, Ivo Vajgl (SELDI, 2016), who in his reports to the European Parliament and the European Commission confirmed corruption was a serious problem in the Republic of Macedonia.

In just two years (2014-2015), the pressure of corruption on the citizens of Macedonia increased by 5%. Public opinion polls found that 30.5% of citizens surveyed acknowledged that they had practiced corruption, while 20.2% reported being victimized (Freedom House, 2017). For Transparency International, the corruption index in the country had reached considerable dimensions, placing Macedonia in a tie for the 66th position with Sao Tome and Principe.

However, there have been many more real cases of corruption discovered through the illegal wiretapping conducted by the intelligence services. Most of these were carried out through the Ministry of Transport, Communications and Civil Engineering, in collaboration with the mayors, the police and the judiciary. Offshore companies in Belize and the British Virgin Islands have become the biggest investors in the country as the new rich from Macedonia begins to buy or build different building complexes in the country as a way to better hide the money laundering system.

6. Three scandals of corruption still warm

6.1 The "Skopje 2014" Project

The project *Skopje 2014* is a childish dream of Nikola Gruevski: a kitsch idea, dominated by the baroque and neoclassical style, to which it is not possible to assign another function than the purely political one of serving the populist homogenization of the people, left at the feet of its supposed crisis of identity and contributing to the search for its national identity. At the level of foreign policy, its function is to take the revenge on Greece by starting a process of antiquization and changing, at the same time, the negative stereotype of a timid and withdrawn Macedonia. The main purpose of this project has been the reconstruction of the center of Skopje. Its cost was initially estimated at about 80 million euros, of which has been spent about 642 million. By June 2016, the project had already been completed 136 objects, including 27 buildings, 6 exterior garages and 2 underground ones, a dozen new facades, 34 monuments, 5 plazas, a panoramic wheel (19 million euros), 4 bridges, 39 sculptures, an arc of triumph, two fountains and many other miscellaneous objects.

After his victory in local elections in 2013, the opposition candidate in the city center of Skopje –and new mayor– Andrej Zernovski commissioned two reports by independent experts and told the special prosecutor that it was clear that the project *Skopje 2014* had made a number of violations of the law that constituted criminal acts (Spasovski, 2016). Acts of corruption were once again evident

through telephone tapping. By the same logic, when Al Jazeera journalist Milka Smilevska interviewed the owner of Arte Bronzo in Verona, which specializes in the production of bronze monuments, she stated how "the man was surprised when he learned that his rival Ferdinando Marinelli had won 8.5 million euros instead of 2.7 million, for the construction of two lions and some bronze sculptures".

The monument "Warrior on Horseback", which symbolizes Alexander the Great on the back of Bucephalus, has been the most expensive of the whole project, with an estimated cost of 8.2 million euros, awarded to the Marinelli house. From the beginning, irregularities were observed in the procedure followed for their adjudication; irregularities that were corroborated by the enormous final price of the monument. The other monument that caused doubts is Zar Samuel, which cost 1.4 million euros and was built by the art gallery Pietro Bazanti. In the first place, this gallery was not authorized or registered to carry out this type of activities, a reason for why its participation in the solicitation for its construction should have been rejected. Then, to move the monument about 30 meters and carry out some repairs in the center of the Plaza of Macedonia, the company *Transmet* –property of Sead Kochan, close to the party in power– signed a contract of 2.5 million euros with the Government. Another monument, the statue of Philip, which is much smaller (7 meters) than that of his son, cost €4.4 million with the sculptor's fees rising to €1.5 million. The auditors have mentioned that the irregularities arose as a result of Gruevski's decision to change the initial draft, which had been approved by a jury. In spite of this, the Prime Minister decided to transform and raise the cost of the project, agreeing *tete-a-tete* with the sculptor and the producer. Finally, this monument was paid for by the municipal budget of the Skopje-Center municipality, which had no competence for it. In this same manner, many other buildings, monuments, sculptures and garages of the *Skopje 2014* Project were built, always with extra costs and in the midst of suspicion of corruption.

6.2 *The "Treasury" and "Citadel" Cases*

The name of the "Finzi" company jumped into the news for the first time in 2014 in connection with an investigation into the ownership structure of various media outlets in Macedonia, the benefits of which came largely from government subsidies, and around their relations with tycoons close to the party in power and owners of several offshore companies. The "Finzi" company was founded in 2009, although it was never clear what its commercial activity was. Its owner was another company with the same name, based in the United States, which, in turn, was owned by a third company whose head office was in Cyprus. Finzi-Macedonia controlled several portals close to the Government, all dedicated to the darkest propaganda against the opposition. Finzi's CEO was Kosta Krpač, who died strangely in a suicide involving two shots of a gun at the beginning of 2016. Before him, the position of CEO was in the hands of Vladislav Stajkovic, founder of the NVSP company. Its role was key in the diffusion of wiretaps by the opposition, as it was through its NVSP company that the equipment necessary to carry out the eavesdropping was acquired in Israel on behalf of the Ministry of the Interior of Macedonia. In the above-mentioned recordings, Stajkovic and a judge close to Gruevski, talked about how to transfer certain sums of money to private bank accounts. The company NVSP has its own radio station, Radio Slobodna Makedonija, which totally support the party in power and the Government.

Thanks to this sophisticated listening equipment acquired in Israel on behalf of the government and the subsequent leak of the recordings, the opposition was able to detect various corruption issues involving the Macedonian political elite. By controlling and listening to his interlocutors, as well as to another 20,000 citizens of the opposition, Gruevski made a big mistake that allowed Macedonian public opinion to discover its true face. In a moment of panic, he and his collaborators decided to destroy this sophisticated mechanism valued at ten million euros. However, the new Special Prosecutor began an investigation called "Citadel". One of the crucial testimonies in "Citadel" was that of Kosta Krpač, who, as we have already pointed out, was the former director general of Finzi and died in early 2016.

The Special Prosecutor also opened an investigation into the purchase of hearing aids and other indications of corruption –a case called "Treasury"– although the State Prosecutor's Office, under the control of the party in power, did not dare open the judicial process. The investigation, opened under pressure from the international community and public opinion, has not yet resulted in the adoption of specific measures against the free movement of the person in charge of this matter.

6.3 Chinese Capital, the Highway and Corruption

The wiretaps of early 2013, in which the voice of Nikola Gruevski and his ministers could be recognized, brought the government's talks with the Chinese company Sinohydro on the construction of two 110 km long roads into the public eye. Alarm was raised when the Macedonian Minister of Transport and Public Works was heard explaining to Gruevski the €30 million commission to be paid by the Chinese company to his Macedonian partner. On the other hand, according to the laws of the Republic of Macedonia, each project that exceeds the value of €200,000 must go through a public tender process, which did not take place in this case. Instead of using the public tendering procedure, Prime Minister Gruevski's government used its parliamentary majority to adopt a special law that allowed the Chinese company to get the right to build these two highways. The price of the roads –one for €206 million and the other for €374 million– caused a great debate and generated a reaction from the opposition in Parliament. The opposition estimated that the price per kilometer was very high and that the Chinese company would have excessive profits. Added to this was the fact that all the processing of the case had been secret and irregular, which denoted the possibility of corruption. What further increased the suspicion was that the government published figures were drastically different from those appearing on Sinohydro's website, differences of €30.9 and €36.1 million. The day after the release of this "truth bomb", the Chinese company erased the prices of these projects from its website. In summary, the government's official price was 3.5 times higher than that published by the successful bidder.

7. Conclusions

Corruption jeopardizes some of the most basic human rights. In the absence of effective countervailing powers, neutralized by the discretion of an authoritarian, populist and demagogic government, citizens become even more vulnerable to corruption. So a corrupt government that rejects the principles of transparency and accountability is usually one that does not respect human rights.

Corruption also erodes the principles that govern the rule of law, undermining the legitimacy of government and the effectiveness and credibility of public institutions, rendering justice ineffective and creating a climate of insecurity that may jeopardize political stability.

Corruption also undermines the ethical and cultural values of a society and introduces it into a vicious circle: society is defenseless against corruption and does not even have the possibility to react and defend itself. Thanks to galloping clientelism, which is a direct product of corruption, populist authoritarian demagogues can easily win one election after another.

Interestingly, many people still believe that corruption can help to grease the wheels of a slow and under-regulated economy. But the facts deny this theory. Corruption has a cost: it is proven to promote unproductive investments, increases the cost of goods and services, and leads to a decrease in the quality of any service or production under public control.

Corruption breeds bad decisions, encourages competition that ends up multiplying corrupt practices rather than fostering healthy competition in quality and cost. And when it becomes endemic, it increases the costs of businesses and especially hurts smaller ones.

Corruption slows economic and social development and causes significant damage in the poorest countries; diverts a country's resources to the benefit of a few, erodes a country's resources and contributes to keeping it in the vicious circle of poverty.

Corruption encourages discriminatory practices, threatens the most basic social, economic and cultural rights, serves as a breeding

ground for arbitrariness and often comes from repressive methods by the State.

Those who have the courage to take up the challenge and openly fight corruption are at considerable risk and face real danger. The physical integrity of the people is threatened when they are likely to affect the interests of the beneficiaries of corruption. Only this way can explain the tragic events of Kumanovo in May 2015 or that of several suspicious fatal "accidents".

It is clear that in the current context of the Republic of Macedonia, the links between organized crime, the circuits of corruption and authoritarian populism are contracted to become compatible and inseparable phenomena.

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