

# Monitoring of Executive Branch's Public Relations Practices:

## **DOES THE GOVERNMENT ENGAGE IN INFORMATION OR PROPAGANDA?**

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### **REPORT NO. 2 GOVERNMENT'S COMMUNICATION ON THE "MAKEDONSKA BANKA" CASE**



Skopje, June 2014

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## Introduction

The NGO Info-centre, implements a monitoring of the public relations practices of the Government and its institutions, with the aim to determine how the executive branch informs the public about the implementation of public policies, its activities, achieved results, existing problems, and to determine what kinds of messages the Government sends to Macedonian citizens.

This 2<sup>nd</sup> Report covers the so-called "Makedonska Banka" case in which the Prime Minister of the Government and the leader of the VMRO-DPMNE party Nikola Gruevski was directly accused by the opposition party SDSM of illegal activities and corruption related to the sale of "Makedonska Banka" bank. The case, thanks to its highest political and social significance, imposed itself as the main focus of the monitoring activities and key topic of interest for the general public. The analysis covered the official press releases, statements, interviews and other reactions of the Government, the Prime Minister, Government representatives, the ruling party VMRO-DPMNE. At the same time, we analysed the journalistic articles and stories on the case carried by the media.

The monitoring included the Government and party communications in the period April 16 through May 2, 2014; the interview that PM Gruevski gave to the state information agency MIA, published on June 3, 2014; and the media coverage of the case in the period April 16 through May 2, 2014.

The main goal of the monitoring was to follow and analyse Government's communications on the "Makedonska Banka" case, the role that the media play in Government's public relations activities and the messages that the Government sends to the public.

## The "Makedonska Banka" Case Breaks Open

On April 16, 2015, the president of SDSM Zoran Zaev, during the campaign for the 2014 Presidential Elections and Early Parliamentary Elections, released to the public audio recordings of phone conversations in which, he alleged, the prime minister of Macedonia and president of VMRO-DPMNE Nikola Gruevski, discussed the sale of "Makedonska Banka AD Skopje"<sup>1</sup> bank which involved a cash payment to the amount of €1.5 million. According to SDSM president, the party received from an anonymous citizen.

In a conference for the press<sup>2</sup>, Zaev stated that the recording raises serious suspicions that Gruevski sold "Makedonska Banka AD Skopje" to Serbian businessman Jovica Stefanović, known by the nickname "Nini", through four off-shore and two Macedonian companies, which officially owned 51 percent of the shares in the bank. Zaev asked publicly if the prime minister received an additional payment of €1.5 million in cash for the sale. To prove his allegations, Zaev played an audio recording of a phone conversation in which the

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<sup>1</sup> DW, Заев објави аудиоснимки од договарањето на продажбата на „Македонска банка“, April 17, 2014.

<sup>2</sup> SDSMtube, 16.04. 2014, „Груевски еве докази за милионскиот кеш, ќе признаеш или да...“, <https://www.youtube.com/watch?v=gzLP20Z8xPc>.

alleged bribe was agreed. According to Zaev, one of the voices caught in the recording belonged to Nikola Gruevski.

On the same day, the ruling party VMRO-DPMNE issued a press release with full denial of all accusations presented by the opposition, noting that its president "has never received from anyone any money" and that "it was all a lie and fabrication"<sup>3</sup>. VMRO-DPMNE announced Gruevski's intention to sue Zaev for defamation and that the released recording was a *"classical fabrication which includes audio that, for the most part, doesn't even resemble the voice of Nikola Gruevski"*<sup>4</sup>. On April 22, SDSM filed criminal charges against the Prime Minister and the ruling party repeated the announced intention to file a defamation lawsuit<sup>5</sup>. In the days following April 16, the opposition party SDSM, in a series of conferences for the press, released additional information and evidence for other alleged corruption cases involving high ranking Government officials. During that period, SDSM launched the "Zagorac" Case, which alleges that the person Zagorac Tumbovski gave VMRO-DPMNE a larger cash amount in 2003, for which he got received a cashier's receipt signed allegedly by the current minister of interior Gordana Jankulovska. Tumbovski gave a statement for the media in which he confirmed the presented allegations, while Jankulovska denied the accusations and announced a lawsuit against SDSM Spokesperson<sup>6</sup>.

The legal office representing PM Gruevski announced that it will sue Zaev for defamation. The private lawsuit in which the Prime Minister demands compensation of half a million Euro was filed to the court and the first hearing of the trial was scheduled to take place on June 19, 2014.

In spite of journalists insisting that the public prosecutor Marko Zvrlevski come forward and present the activities that were taken in the investigation of the "Makedonska Banka" case up to that moment, several days after the case was disclosed, Zvrlevski didn't offer any information. Two months later, the Public Prosecutor is yet to release any concrete information whether his office intends to take any action, and which actions it intends to take on this case. The only information offered by Zvrlevski, responding to journalists' enquiry, came after Gruevski filed his private defamation lawsuit, with the public prosecutor giving a short statement that the defamation lawsuit can't have any effect on the actions of the Office of the Public Prosecutor.

On the other hand, until his June 3 interview for MIA, PM Gruevski didn't come forward in public with a single statement directly related to the "Makedonska Banka" Case<sup>7</sup>.

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<sup>3</sup> „Ниту ја купувал, ниту ја продавал Македонска Банка, стоеше во реакцијата на ВМРО ДПМНЕ“, April 17, 2014.

<sup>4</sup> <http://vmro-dpmne.org.mk/?p=23355>

<sup>5</sup>Telegraf.mk portal, „СДСМ со пријава против Груевски, од ВМРО-ДПМНЕ најавија тужба за Заев“, April 22, 2014, available for viewing at <http://www.telegraf.mk/aktuelno/makedonija/138987-sdsm-so-prijava-protiv-gruevski-od-vmro-dpmne-najavija-tuzba-protiv-zaev>

<sup>6</sup> 24 News TV, „Јанкуловска ги отфрла како клевета изјавите на Тумбовски“, 24.04.2014.

<sup>7</sup>This issue was mentioned indirectly in several rally speeches during the campaign for the 2014 Elections.

## Government Keeps Silent – the Party Executes

The analysis of the press-releases, reactions, interviews and other contents carried by the media and created by the Government and the ruling party demonstrate, once again, that the Government's public communication efforts aim not to inform the citizens openly, but their sole intention is to persuade the citizens that the Government, and especially the Prime Minister, are successful and infallible, what we may call a "Teflon coated" Government to which no failure, scandal or affair sticks.

Although the "Makedonska Banka" is the first case of alleged corruption tied directly to the Prime Minister, he and the Government act as if it is a trifle, insignificant case that can be resolved only with a private defamation lawsuit. Such a context puts additional emphasis on the silence of the Public Prosecution, which have not come forward to this day, two months after the affair was disclosed, with any information whether it will take any action in the "Makedonska Banka" case.

As with previous cases of scandals reported by the opposition, it is clear that the Government's and Prime Minister's strategy is to distance it from the executive power and transfer it mostly to the battlefield of party relations – move it away from the institutions and into the ring of political verbal altercations. In other words, the reputation of the prime minister as honest and committed man can't be smeared or suspected in any way, especially not from moral and professional point of view. He is the moral and the ethical pillar that has to be preserved untouched at any cost.

Therefore, instead of the Prime Minister coming out in public with comments and statements, the lead was taken by VMRO-DPMNE Communication Centre. Its reactions follow the rule that "attack is the best defence". The sole aim of party's releases and statements is to smear and humiliate SDSM and its leadership, but also to accuse them back of corruption and criminal actions (*"We are amazed that the man who received abolition for an offense worth in excess of €8 million and who have distributed municipal contracts to his father, uncle, cousins, in-laws, aunts, would dare engage in mud-slinging, lies and fantasies. Zaev can't understand that not all people are like him"*). Press release issued by VMRO-DPMNE, April 16, 2014)<sup>8</sup>.

Through that type of propaganda, the Government demonstrated that it wants to fully destroy the credibility of the opposition and to minimize and eliminate the scandal from the public as fictional, fake and absolutely insignificant.

The main cause of concern is that such a serious issue was reduced to a matter of conflicting views of political parties. In the meantime, the institutions, instead of acting in accordance with their legal and professional obligations, remained silent and, in essence, subordinated to the political bickering between political parties.

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<sup>8</sup><http://vmro-dpmne.org.mk/?p=23323>

## Committed and Dedicated Prime Minister – Immature Opposition

Only seven weeks after he filed his defamation lawsuit and the first hearing of the trial was scheduled, PM Gruevski came forward in public with comments on the "Makedonska Banka" Case. He did it on June 3, 2014, in an interview for state news agency MIA.<sup>9</sup>

Asked directly to comment his involvement in the case, the Prime Minister responded with a too long introduction that he used to attack the opposition, using a variety of disqualifications (*"The problem is that their ideas and projects are weak, many of them not well thought out and rushed... They promised much and failed to deliver..."*). Gruevski also used his introduction for lengthy elaboration and analysis of what he believes are the opposition's designs regarding the elections (*"In a situation when they were faced with a heavy defeat, having already used all possible trump cards that they may have had, they lost the self-confidence that they could beat us in a fair contest and win the trust of the majority of the citizens, so they chose a quick and rushed change of strategy that pushed them into even heavier defeat, something that I warned of in my speeches in the campaign before the second round"*).

The main idea of such a long introduction was to create the context in which, in his view, the "defeated, immature, uncertain, desperate and incompetent" opposition "without ideas", is left only with the option to try and create and forge fictitious affairs and scandals.

In such a newly created context, Gruevski believes that two sentences should suffice to respond to the corruption charges: *"I never took one and a half million Euros in cash, or in any other form, or any smaller or greater amount for the sale of "Makedonska Banka". Therefore, all the other related charges are not true"*.

In the next paragraph, the Prime Minister announced the resolution of the case, but he didn't have in mind the public prosecution authorities, but the resolution of his private defamation lawsuit against Zaev. In the same sentence in which he discusses the resolution of the *"dirty manipulation"*, Gruevski didn't offer any additional facts or arguments, but rather chose an all-out attack on the opposition leader: *"(...) the man we have seen in the past distributing contracts and public money to all of his relatives and party officials, who five years ago agree to be saved from prosecution for offenses worth €8 million through abolition by his mentor, he will now have to face the truth when he has to prove his defamatory allegations that I accepted the said one and a half million Euros more than ten years ago"*.

Later, in his response to the question on the "Makedonska Banka" case, the prime minister intensified his attack on the opposition and the critical media, accusing them of *"overexposing the issue"* in the public and of causing harm to the state with their actions.

Gruevski's populism and Manichean logic go so far that his interview gives and impression that any action of the opposition is harmful for the state, but mostly for the people who prove their maturity by voting for him. He rebuts the accusations addressed at him with accusations and *ad hominem* attacks on the opposition and Zaev, listing examples of their alleged dishonesty, incompetence and harmful effects on the state. Gruevski even accused the opposition that, because of its refusal to accept the results of the Elections, Macedonia

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<sup>9</sup><http://vlada.mk/node/8933>

could lose the recommendation to start negotiations with the European Union. The underlying motif he uses is that the opposition is to blame for everything, while he and his party are the incarnation of everything that is good, industrious, committed and protective.

The interview used by the Prime Minister to respond directly, and for the first time, to the accusations in the “Makedonska Banka” case, doesn’t aim to get answers to important questions, but to allow him to paint a populist picture of himself as infallible, honest and committed, compared to the “*enemy of the people*” that is the opposition and its leader.

The timing of the publication of the interview, the manner in which it was conducted, and the answer to the question on “Makedonska Banka” Case, from the view point of communication theory, implies a director that has set the scene, cast the roles, knows the outcome and just waits for the premiere and the applause from the public.

## **The Media – Propaganda Balloons of the Government**

The analysis of the media coverage of the “Makedonska Banka” case shows clearly that the majority of the media didn’t just act as passive instruments in the hands of the Government, but were direct participants in its propagandist public communication efforts.

The pro-government media, instead of informing the public about the events and developments of the case, tried hard to implement, as consistently as possible, the Government’s strategy to downplay its importance and overblow the criticism addressed at the opposition.

The Government and its media aimed to prevent the information in the case to reach the citizens in the first place or to reach them in a form that is closely controlled and will have no effect on the reputation and approval ratings of the Prime Minister, the Government and the ruling party.

Some of the pro-government media didn’t even publish the reactions issued by VMRO-DPMNE to avoid any interest in the citizens to actually listen to the recordings presented by the opposition. As an illustration, it should be noted that Sitel TV and Alfa TV ignored the case altogether, Kanal 5 TV aired the first information, in favour of the Government, only one week after the case first hit the public, and the public service broadcaster MRT1 aired the information on the case not in its main newscast, but in the “Electoral Chronicle”, programme dedicated to electoral campaign activities.

In the first several day after the case broke out, the three daily newspapers of the MPM publishing company - “Dnevnik”, “Vest” and “Utrinski vesnik” – didn’t carry any information on the case. The first coverage in the three dailies came only after the press-conferences organized by VMRO-DPMNE on the topic. The daily newspaper “Večer” followed the same line and didn’t cover the case at all.

The pro-government media used a combination of techniques and approaches to block the information, carefully filtered their coverage, overlooked the events and moved the focus to other topics, engage in *ad hominem* attacks on the opposition, all in line with the Government’s strategy to marginalize the case and its public importance.