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Analysis of today
Assessment of tomorrow

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The new president of Montenegro - a European based on his words, but with the support of pro-Russian parties

Milo Djukanovic, the leader of Montenegro, a small Mediterranean country, lost Sunday's presidential elections after 30 years in power. This news was more important than the fact that a young banker, Jakov Milatovic (37) won.

The long-time leader of Montenegro, Djukanovic (61), calmly congratulated the winner, and accepted a convincing defeat of about 20%.

His departure has marked the end of the long period of Montenegro‘s transition from the smallest and poorest member of the former Yugoslavia to the declaration of independence in 2006, and entry into NATO in 2017.

This period was marked by Djukanovic personally, who served as prime minister four times and president twice, which made him the longest-serving leader of a European country.

The elections on April 2 proved his insurmountable handicap. He was defeated by a coalition without a common political and ideological platform; only that Djukanovic's era had to end.

Opponents called him a “dictator", and even said that they would bring tanks to the streets when he left power.

When his coalition lost power in 2020 with one seat in the parliament, Djukanovic acknowledged the results and called for a formation of government as soon as possible.

This was repeated last Sunday, when his opponent and winner referred to "the end of the dictatorship". Djukanovic congratulated him, and wished him to be a successful president.

Djukanovic's era of changing Montenegro

In the early years of his career, Djukanovic was a supporter of the aggressive and militant policies of the former leader of Serbia and Montenegro, Slobodan Milosevic, which caused the war in the Balkans in the 1990s.

However, he soon distanced himself from the isolated Serbian dictator, who was later accused of war crimes. At that time, Djukanovic was preparing the ground for the independence of Montenegro from the state union with the considerably larger Serbia.

He implemented a distinctly pro-Western policy, first introducing the Deutsche mark, then the euro as currency in Montenegro, and crowned his mission in 2006 by declaring the independence of Montenegro, after a referendum under the auspices of the EU.

Djukanovic also acted as a representative of pro-European and pro-NATO politics in the last elections, where he probably ended his long political career.

He warned that the country had been under pressure from neighbouring Serbia for a long time, and through its favourable policy towards Russia, indirectly also from Russia.

A newcomer as head of state

His rival and the newly elected President of Montenegro, Jakov Milatovic, is an exponent of a political group that does not consider Serbia or Russia as a threat to Montenegro.

Milatovic is a newcomer on the political scene. He was educated in Montenegro and in the UK

(Oxford). Milatovic built his career at the European Bank for Reconstruction and Development and Deutsche Bank in Frankfurt.

He is the leader of the newly founded Europe Now! movement, which consists of young technocrats and wants Montenegro to join the EU.

Many, however, do not believe in the proclaimed European orientation of the new head of state.

The main reason is that support for his overwhelming 60% of votes in the elections came from conservative, pro-Russian parties and leaders, who want stronger ties with neighbouring Serbia, and even reunification with it.

Jakov Milatovic was a member of the Montenegrin Government after the 2020 elections,when Djukanovic's coalition suffered a narrow defeat, thus creating a prelude to his defeat in the presidential elections.

That government was strongly pro-Serbian and pro-Russian, and was formed under the decisive influence of the Serbian Orthodox Church, which has a significant influence on the Montenegrin population, where almost one third are Serbs.

As Minister of Economy, Milatovic did not have significant reform results. He tried to raise the standard quickly by massive state borrowing on the international market, and at the same time stopped foreign investments, particularly in tourism, which accounts for close to 25% of GDP.

His economic measures were populist, and depended on a rapid and large increase in wages and pensions, with high state borrowing, and at the same time nationalisation of large industrial companies, such as the steel industry.

Test for the country's EU orientation

As president, Mr. Milatovic will not have much influence on economic policy, which is in the hands of the government. But at the moment the Montenegrin government is not functional. It has resigned, and new parliamentary elections will be held on June 11.

However, he will have legitimacy. He won the elections, and the Constitution allows him to deal with foreign policy and defence issues.

"As President of Montenegro, together with my political partners, I will lead Montenegro into the European Union within the next five years", Mr. Milatovic said in his victory speech when the election results were announced on Sunday.

Montenegro is at the end of negotiations with the EU on full membership, but that progress was mostly made before Milatovic and his partners, during Djukanovic's government.

In the last three years, since they have controlled the government, Milatovic and his coalition partners have practically stopped the path to the EU, dealing with their internal disputes, and fights over functions in state structures.

"We (Montenegro) have come from being considered by European officials as a positive example, an example of a country that promotes successful European values in the Balkans, to the image of a cancer wound in the Western Balkans and a possibility ... that negotiations with Montenegro be halted", said

Milo Djukanovic to AP a few days before the elections.

“Would the victory of my opponent mean continuation of that road? I am more inclined to say yes than no”, said Djukanovic.

Although the new Montenegrin president has already received congratulations from several European capitals, his proclaimed pro-European orientation will be under intense scrutiny.

His short political background warns that he may be a puppet run by strongly anti-European and pro-Russian forces in Montenegro and the Balkan region.

Montenegro conducted democratic presidential elections with an unquestionable result and will have a smooth and peaceful handover of power, which in itself is an important achievement for its young democracy.

This, however, is not a guarantee that the newly elected leader and his supporters will remain on the democratic course, particularly because of their essential restraint towards the EU and NATO, meaning their sympathies lie towards Russia and its Balkan ally, Serbia.