

EUROBAROMETER 70

PUBLIC OPINION IN THE EUROPEAN UNION

AUTUMN 2008

NATIONAL REPORT

EXECUTIVE SUMMARY

CROATIA

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EUROBAROMETER 70 – EXECUTIVE SUMMARY

Introduction

The public opinion survey Standard Eurobarometer is carried out twice a year. This 70th Eurobarometer survey (EB 70), was conducted between October 6, and November 6, 2008 in all 27 EU member states, two candidate countries in accession negotiations (Croatia and Turkey), the Former Yugoslav Republic of Macedonia (which has a candidate status but is awaiting the official date of the opening of negotiations to be set), as well as the members of the Turkish community in Cyprus.

During the six months that passed between the last two surveys, France had taken over the EU presidency from Slovenia.

In its EU accession negotiations, since the last Eurobarometer survey, Croatia has closed another new chapter (*External Relations*) at the Inter-governmental Accession Conference held on October 30, and opened no new chapters. Although the EC proposed opening of five chapters (*Free movement of capital; Taxation; Regional policy and coordination of structural instruments; Justice, freedom and security and Environment*) and the closing of two (*External relations and Trans-European networks*) and obtained approval of 26 EU member states, Slovenia was determined to block six chapters. Out of 35 chapters of the *acquis communautaire* – 33 of which are subject to negotiations and the legislature of the remaining two chapters is adopted automatically – until the moment this survey was completed, Croatia opened a total of 21 chapters and concluded negotiations on four of them – *Science and research, Education and culture, Enterprise and Industrial Policy, and External Relations*.

The most important developments in the country between the last two Eurobarometer surveys were a successful tourist season, another fall in the rate of inflation, initial positioning before the local elections announced for the spring, and, in particular,

dramatic mafia assassinations followed by political replacements of key figures in the fight against crime and the appointment of prominent experts in their place. Then followed widespread fear of how the spillover of the financial crisis followed by a real-economy crisis would affect Croatia. The financial crisis did not have any significant effect on Croatia, due to the policy of the Croatian National Bank, which did not allow banks to invest the money they manage in speculative derivatives; as for the real-economy crisis, it has not been felt until the completion of this survey.

However, the public fears that production will drop next year due to the drying-up monetary flow and reduced foreign demand, which will result in downsizings and affect tourism. The general public expressed great dissatisfaction with the moves of the Slovenian government which continued to block Croatia's EU accession process even after Croatia had decided not to apply its Protected Ecology and Fishery Zone to EU member states.

1. Climate of opinion

After the satisfaction with the quality of life decreased by 3 percentage points in the EU countries and by as many as 8 percentage points in Croatia over the preceding semester due to considerable growth of inflation rate caused by a dramatic increase of oil and food prices, dissatisfaction continued to increase in the past six-month period; however, this increase (by one percentage point) is statistically insignificant both in the EU (76%) and Croatia (68%). The main reason why Croatians are more dissatisfied than the average European is the lower standard of living of the former. The main reasons for the slower increase in dissatisfaction are a decreasing inflation rate and the fact that the growing financial crisis did not spill over into real economy during this survey, thus sparing the finances of most of the respondents for the time being.

Both European and Croatian respondents expect economic difficulties, judging from their responses to questions about the state of domestic economy, which is evaluated as positive by a significant minority of Europeans (29%), and an even lesser minority

of Croatians (11%) – percentages that are considerably lower than a year ago. Interestingly enough, about a third of Europeans and Croatians evaluate the state of European economy as good, and about a fifth have given the same estimate for the world economy. There are significantly more Europeans (56%) and Croatians (43%) who evaluate their own jobs positively.

As for short-term expectations, optimism continues to decline, and pessimism continues to rise both in Croatia and the EU. Only 24 % of Europeans and 23 % of Croatians believe that next year will be better (8 percentage points less than in the spring this year), and about a half of Europeans and Croatians do not expect changes. When comparing the state of the economy, employment, cost of living and price of energy sources in their countries and at the EU level, a great majority of Europeans and a huge majority of Croatians believe that the situation at the EU level is much more favorable. However, unlike Croatians, Europeans think that the quality of life and the state of the environment in their respective countries have improved.

Whereas, for European respondents, the two most important issues facing their country are the economic situation and the rate of inflation (37% respectively), for Croatians, these are crime (62%) and economic situation (35%). Croatian public concern over the growing crime rate increased in the past six months by as many as 12 points, and decreased in the EU by 3 points (dropping to as low as 17 %). While the concern over the state of the economy in the EU member states has increased by 17 points since last spring, in Croatia, it has risen by only 4 points. The fear of inflation, having recorded a great increase in the previous six-month period both in the EU and Croatia, has now stagnated in the EU and has decreased by 3 points in Croatia (dropping to 33 %).

While trust in domestic institutions in the EU member states is on a slight increase, trust in EU institutions is decreasing, although the majority of respondents still believe in EU institutions and trust them more than domestic ones. In Croatia, trust in the government (20%) and parliament (19%) registers again a small decrease, but increases slightly for the judiciary (20%); at the same time, a huge majority of respondents does not show any trust in them. The lowest level of trust among

Croatian respondents is that expressed for political parties (10%), which is twice as low as the, also low, European average.

In spite of Croatia's membership of the UN Security Council, only 38 % of Croatians trust the UN, which is 5 points less than six months ago.

Trust in NATO was expressed by 31 % of Croatians and 43 % of Europeans, whereas 56 % of Croatians and 38 % of Europeans distrust NATO.

An equal percentage of Croatians and Europeans (18%), 1 point less than 6 months ago, believe that their purchasing power has improved in the past five years, and an equal percentage of them (51 %) think it has decreased (1 point less than in the spring for European respondents, and 6 points more than in the spring for Croatian respondents).

More and more, Croatians experience difficulties with payment of bills: it is now 54 %, which is 3 points more than in the spring. In the EU, however, 46 % of respondents have such difficulties, which is 1 point less than 6 months ago.

63 % of Croatians now believe that the situation in their country will deteriorate (15 points more than 6 months ago), compared to 49 % of Europeans (4 points more). However, in the long run, Europeans are more pessimistic than Croatians: whereas 55 % of Croatians, 3 points more than in the spring, think that their children will have a much harder life than they did, as many as 62 % of Europeans share this opinion, which is 1 point more than in the spring. 34 % of Croatians and 25 % of Europeans believe that their children would have a better life in some other country. 43 % of Croatians and 50 % of Europeans disagree with that opinion.

2. Attitudes towards the EU

The trust that Croatians have in the European Union has decreased by 5 points in the previous six-month period (dropping down to 32 %), and the trust in the EC increased by 1 point (rising to 37 %). Today, 39 % of Croatians (1 point less) expresses trust in the European Parliament. The same percentage is found for the Council of the EU

(stagnating in comparison to spring survey) and European Central Bank (1 point more).

Only 24 % of Croatians see the EU in a positive light, which is 8 points less than 6 months ago, whereas 29 % of them see the EU in a negative light (3 points more than in the spring survey). A significant majority of respondents (44 %) – 4 points more than 6 months ago – express a neutral attitude towards the EU.

Among respondents in the EU member states, a significant majority (45 %) see the EU in a positive light, which is 3 points less than in the previous survey.

Croatians believe that the EU is just as insensitive to the problems of Croatian citizens as the Croatian Government (17%). In contrast, 43 % of Europeans believe their national governments are sensitive and 30 % of Europeans believe that for the EU government.

For both EU and Croatian citizens, the EU means freedom of travel, study and work in any of the member states.

Only 23 % of Croatians assess the membership of their country in the EU as good (7 points less than six months ago), compared to 53 % of Europeans (1 point more than six months ago). 38 % of Croatians now believe that the EU membership is unfavourable for Croatia (13 points more than six months ago), and, for the first time, this group outnumbers those that believe it is neutral (35%).

Benefits of EU membership are now expected by only a third of Croatian respondents, 11 points less than in the spring survey – an attitude shared by 56 % of Europeans (2 percentage points more than in the spring survey). A stagnant 31 % of European respondents do not experience any benefits, in comparison to 55 % of Croatians (13 points more than 6 months ago).

Common EU policies – monetary, foreign, defence and security policy – enjoy an equal majority support among both Croatians and EU citizens. A relative majority of Croatians and Europeans do not approve of "a multi-speed Europe".

The EU enlargement policy is supported by the majority of both Croatians (59%) and Europeans (44%), although the percentages are lower than a year ago. Among the EU

respondents, there is only one percentage more of those who support the enlargement than those who are against it.

For Croatians, there are three key issues that the EU must focus on in order to gain strength: fight against crime (49 %), social issues (44 %) and solidarity with the impoverished regions. For citizens of the EU27, these are energy production (30%), immigration and the fight against crime (29% respectively).

3. Globalisation

Only 32 % of Croatians see globalisation as a favourable opportunity for domestic companies (4 points less than in the spring), whereas 49 % of them (8 points more than in the spring) see it as a threat. The majority of EU27 respondents also see globalisation as a threat, but the percentage is lower than among Croatians (42%) and 1 point less than in the spring.

Only 27 % of Croatians believe in the protective power of EU against the negative effects of globalisation (4 points less than in the spring), in comparison to 43 % of EU27 citizens (1 point more than in the spring).

The percentage of Croatians who do not believe in the protection power of the EU has in the meantime decreased by 1 point, dropping down to 52 %, in comparison to 37 % of European Union citizens (3 points less than in the spring). A relative majority of EU27 (48 %) and Croatian (41 %) respondents believe that the EU enables its citizens to gain much greater benefits from the positive effects of globalisation (2 percentage points less than 18 months ago).

4. Profiles

When it comes to political affiliation, there are 4 percentage points more Croatians of left-wing persuasion (26 %) than in the spring survey, and 5 percentage points fewer

Croatians of right-wing persuasion (17%). The majority of respondents still prefer the political centre (30%), although it is 2 points less than in the spring. Among the EU citizens, there is now 1 point fewer leftists (27%) and rightists (21%) than in the spring, and 2 points more of those who prefer the political centre (33%).

Whereas the percentage of those owning a fixed telephone line in Croatia decreased in the previous six-month period by 5 points, now it has again increased by 1 point (85%). At the same time, there are 2 points more of those owning a cell phone (79%). The number of computer owners has, after the previous period of increase, decreased during the last six-month period by 1 point (dropping down to just 51 %), whereas 64 % of EU citizens own a computer. The number of Internet users with home access has stagnated in Croatia (41%), but increased by 2 points in the previous six-month period in the EU (55%).

The difference in the number of computer owners and home Internet users between the EU and Croatia indicates a lower standard of living in Croatia and the higher price of these economically important devices and services in Croatia.

While the number of car owners is stagnating in the EU (72%), it continues to fall in Croatia; after dropping by 3 points in the previous six-month period, it has now decreased by another 2 points, falling to 69 %.

In Croatia, the number of home owners who paid off their homes has increased by 2 points in the last 6 months (77 %), after decreasing in the previous six-month period by 4 points. The percentage is stagnating in the EU (44 %). There are now 3 points less of those who are still paying off their homes (11%) than 6 months ago, in comparison to 1 point more in the EU (26%).

There is still a significant difference in the number of home owners between average Europeans and Croatians, which indicates a looser connection of Croatians to their homes, and the underdeveloped home rental market in Croatia, both of which result in the lower mobility of the labour force.

5. Conclusion

It seems that Croatians have become tired of the EU accession process; soon after the announcement made by the EC President Jose Manuel Barroso that the accession negotiations might be concluded by the end of 2009, which was a kind of a light at the end of the tunnel, Slovenia imposed a blockade. Although this blockade does not have any grounds in the European legal order, the negotiations have come to a halt, and the central European institutions have still not found a way to remove the blockade and to prove the credibility of the EU: that it will keep its promise that Croatia will join the EU on the basis of its own merits, when it meets the prescribed membership criteria. That is why the results of this Eurobarometer show a decline in the EU's popularity among Croatians.

Only 24 % of Croatians see the EU in a positive light, a figure 8 percentage points less than 6 months ago, and only 23 % of them consider EU membership as a good thing, which is 7 points less than 6 months ago. 33 % of Croatians expect benefits from EU membership, which is 11 points less than in the spring survey, and 55 % of them do not expect any benefits, which is 13 points more than in the spring survey. Although common European policies are now supported by slightly fewer Croatians than a year ago, support is still very strong – for monetary policy (65%), foreign policy (63%), and defence and security policy (70%). The policy of EU enlargement enjoys the support of a significant majority of Croatians (59%). All of this means that Croatians are not Eurosceptics, but their disappointment has turned them into Europessimists.