

# SGI Sustainable Governance Indicators 2011

## Slovakia report

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PD Dr. Marianne Kneuer, University of Eichstätt

Prof. Darina Malova, Comenius University, Bratislava

Dr. Frank Bönker, University of Cooperative Education, Leipzig

## Executive Summary

In Slovakia, the 2006 parliamentary elections resulted in a change in government and catapulted a leftist-populist government into office. Led by Prime Minister Robert Fico, it consisted of the leftist-populist Smer-Social Democracy (Smer-SD) and two smaller parties, the nationalist People's Party-Movement for Democratic Slovakia (L'S-HZDS), headed by the former Prime Minister Vladimir Mečiar, and the extreme rightist Slovak National Party (SNS), led by Ján Slota. The credentials of the three parties and their campaign announcements raised substantial concerns about a return to the illiberal streaks of the Mečiar era, a shift in foreign policy from a clear euro-Atlantic to a more erratic and pro-Russian orientation, and a reversal of the successful socioeconomic reforms of the preceding Dzurinda government. As the second half of the Fico government's term shows, at least some of these fears were justified.

Concerns voiced about the quality of democracy in particular have been justified. From 2008 to 2010, the Fico government continued its hands-on approach towards the media and the judiciary; corruption and party-cronyism flourished; the government limited access to government information and weakened the participation of NGOs in environmental decision-making. In other developments, new provisions regarding expropriation in the amended Highway Act, the threats made to foreign energy companies and the restrictions on private health insurance funds demonstrated a disrespect for private property rights, and the Roma population was subjected to growing discrimination as the 2009 State Language Act and the 2010 Patriotism Act infringed upon their rights. By evoking a dichotomy between "real Slovaks" and the rest (Hungarian and Roma) in its rhetoric, the government polarized society and exacerbated ethnic tensions.

Fears regarding developments in foreign policy have also been confirmed. During the review period, Slovak-Hungarian relations deteriorated, reaching their lowest point in ten years. Slovakia's rapprochement with Russia, marked by extended cooperation in the military and energy sectors, Slovakia's siding with Russia in the 2008 Russian-Georgian conflict, and Slovakia's refusal to recognize Kosovo's independence, also led to irritations on the international scene. Unlike the Czech Republic and Poland, however, Slovakia was quick to ratify the Treaty of Lisbon.

By contrast, in the field of socioeconomic policy, fears of a large-scale policy reversal have turned out to be exaggerated. The Fico government left untouched key reforms introduced by the Dzurinda government so as not to jeopardize foreign investment, the introduction of the euro and the country's favorable economic performance. The single most important case-in-point is tax policy. Although the parties of the government had long criticized the tax system for its liberal bias and unjust effects, the Fico government confined itself to introducing minor changes only. In the case of pensions and health care, reforms went further, yet did not do away with the predecessor's core reforms.

Due to its high level of dependence on foreign investors and a limited number of economic sectors, the Slovak economy was hit rather hard by the global economic crisis. The Fico government was slow in responding to the crisis. It adopted two relatively small fiscal stimulus packages in November 2008 and February 2009 respectively and relaxed eligibility to unemployment benefits only slowly. Confronted with a deteriorating fiscal stance, the government refrained from preparing credible plans for medium-term fiscal adjustment.

Under the Fico governments, no major attempts at improving the strategic capacity of government through institutional reforms were undertaken. Prime Minister Fico capitalized on his personal popularity and his position as party leader, and relied largely on informal means, such as patronage or deals with the leaders of his coalition partners, in coordinating government activities. Compared to its predecessor, the Fico government relied less strongly on scholarly advice and showed much less respect for the discretion of subnational governments.

## Strategic Outlook

The results of the parliamentary elections in June 2010 caught most observers by surprise. While Prime Minister Fico's Smer-SD party, in line with expectations, emerged by far as the strongest party, Fico was not able to form a majority coalition because his former coalition partners did not pass the 5 percent threshold (L'S-HZDS) or barely made it into parliament (SNS). The elections, which once more highlighted the weak consolidation of the Slovak party system, thus opened the way for a center-right coalition consisting of the Slovak Democratic and Christian Union (SDKU-DS), the Christian Democratic Movement (KDH) and two new parties, the liberal Freedom and Justice Party (SAS) and a new party of the Hungarian

minority (Most-Hid).

The new government, which commands only 79 of 150 seats in parliament and suffers from ideological heterogeneity, faces a number of challenges. For starters, it must do away with the negative legacies of the Fico era. Most notably, it has to end efforts to politicize and intimidate the media and the judiciary. It must also crack down on corruption, restore Slovakia's international reputation, and bring an end to discrimination of the Hungarian minority while improving relations with Hungary. Improving Slovak-Hungarian relations will be particularly difficult to achieve in part because opposition parties will quickly mobilize against anything they consider a "sellout" of Slovak interests. But improvements will also depend on the cooperation of the Hungarian Orbán government, which has pursued a nationalist agenda itself. Moreover, Most-Hid is likely to be under strong pressure from the Party of the Hungarian Coalition (SMK), the traditional representation of the Hungarian minority in Slovakia, which did not make it into parliament, to resist compromising the interests of the Hungarian minority.

As for economic and social policy, the global economic crisis has underlined the vulnerability of the Slovak economy with its strong dependence on foreign investment in a few sectors. The crisis has also aggravated existing problems such as massive regional inequalities and profound social exclusion of the Roma population. The main challenge here is to strengthen policies on research, innovation, education and social inclusion, while adjusting to the new fiscal realities and ensuring medium-term fiscal adjustment.

Strengthening institutional capacity would facilitate attempts to address challenges associated with social inclusion. Expanding formal planning devices, making stronger use of scholarly advice, increasing the expertise and gatekeeping power of the government office, improving RIA and introducing mechanisms to monitor institutional arrangements regularly could help to raise the quality of policy-making.

Arguably, the ultimate challenge for the new government is to address the strong disenchantment with politics found among the population. Recurring corruption affairs and strong political polarization in Slovakia have nurtured serious concerns about the undignified behavior of politicians and a spreading cynicism about the political system, which is a long-term risk for democracy. Addressing this challenge is not easy because the current political constellation

favors conflict-oriented and polarizing behavior on the part of the two political camps.

## Status Index

### I. Status of democracy

#### **Electoral process**

Candidacy  
procedures  
Score: 10

The procedures for registering candidates and parties are fair and transparent, and were not changed in the period under review. Candidates for presidency must be nominated by at least 15 MPs or must document support by at least 15,000 voters. The registration of parties that want to take part in the national elections requires 10,000 signatures. Moreover, registered parties must make a deposit of about €16,500, which is returned only to those parties that receive at least 3 percent of the vote. The deposit has been criticized for serving to discriminate against small parties. Since its introduction in 2004, however, the decline in the number of parties participating in the national elections has been insignificant.

Media access  
Score: 7

The existing media pluralism in Slovakia ensures that all candidates and parties have access to the media. However, the public media made some concessions to the Fico government. They downplayed the importance of major government scandals and granted Prime Minister Fico much airtime. Departing from the traditional practice, they also allowed the prime minister to take part in political programs without facing a counterpart from the parliamentary opposition.

Voting and  
registrations rights  
Score: 8

The electoral process is largely inclusive. In principle, all adult citizens can participate in elections. There is a special electoral register for traveling communities, most notably Roma, and other Slovak citizens without permanent residence in the country. Voters that will not be in their place of residence on election day can ask for a special voter's pass that allows voting elsewhere. Slovak citizens residing or staying abroad can vote by mail. However, electoral participation is still marred by the blanket disenfranchisement of convicted prisoners, which is not in line with the European Convention on Human Rights. The regional elections in November 2009 were overshadowed by allegations of vote-buying in the Košice region. Though the allegations were not proven, the controversy led four members of the Central Electoral Commission to decline from signing the final report on the elections.

Critical observers speak of the most serious electoral fraud in Slovakia since the end of communism (Bútora et al. 2010, 20-21).

Citation:

Bútora, Martin/Mesežnikov, Grigorij/Kollár, Miroslav (eds.), 2010: Slovakia 2009. Trends in Quality of Democracy, Bratislava: IVO.

Party financing  
Score: 6

In Slovakia, the means by which parties are financed was given new footing in 2005. The single most important source of income is state contributions, the size of which depends on the number of a party's voters and mandates. Provoked by a scandal about a dubious cash donation to the governing L'S-HZDS, an amendment of the Act on Political Parties and Movements in 2009 tightened the rules on private funding by putting a cap on donations (cash and otherwise), and by requiring parties to publish on a quarterly basis a list of donors on their websites. Nonetheless, the regulations governing party financing are not adequately enforced, as is evidenced by recurring finance scandals. Monitoring is formalistic and fragmented, and rests with organizations lacking the requisite expertise of investigative capacity, such as the Committee on Finance, Budget and Currency of the National Council or the Ministry of Finance.

### **Access to information**

Media freedom  
Score: 4

Under the Fico government, the Slovakian media's independence deteriorated significantly. The Fico government took a critical stance towards the media and routinely accused them of partisan bias in favor of the opposition. It staffed the Council for Broadcasting and Retransmission, which supervises public TV and radio stations, with political loyalists and interfered with public broadcasting programming. The new Press Act, which went into force in June 2008, introduced restrictions on media coverage of issues such as war, cruel acts or drugs, thereby limiting access to information. The Press Act also put the government rather than the courts in charge of ensuring compliance with these restrictions, thus increasing government influence on the media. Finally, the Act further expanded the media's obligations to publish counterstatements irrespective of the truth of the original reporting and without editorial intervention. Several cabinet members sued the press for libel, thus raising concerns that the financial risks associated with libel suits may lead to self-censorship. In the ranking of press freedom provided by Reporters without Borders, Slovakia's position fell drastically from rank 3 in 2007 to rank 44 in 2009.

Citation:



Reporters without Borders, Press Freedom Index (<http://en.rsf.org/information-tools,803.html>)

#### Media pluralism

Score: 6

Media pluralism is facilitated by a diversified ownership structure and a substantial share of foreign ownership. In the period under review, however, Slovakia's media ownership structure has undergone some consolidation. The American media enterprise Central Europe Media Enterprises (CME) took over TV Markíza, the market leader formerly owned by the media baron Pavol Rusko, and is now operating four TV programs. Ivan Kmotrík has also expanded his media empire which includes the country's largest printing house, the important press distributor Mediaprint Kappa, the news program TV3, the largest advertising agency and a number of print media. Unlike in other countries, the envisaged digitalization of TV was not used to open the market. The media market also continues to suffer from a lack of transparency and regulation. The provision in the Act on Broadcasting that no person or company is allowed to hold more than one national television or radio license or to be a publisher of more than one national daily is not sufficiently enforced, and there is often no clarity regarding ownership. Neither the Council for Broadcasting and Retransmission nor the government have done anything to improve the situation.

#### Access to government information

Score: 5

The access to government information is guaranteed by the constitution and the Act on Free Access to Information approved in 2000. However, the Fico government often declined to provide information, reacted to requests with extreme delay or released only heavily edited information. In doing so, it was often backed by the courts. One spectacular case, which illustrates the restrictive interpretation and implementation of the Act on Free Access to Information, was the 2010 Supreme Court decision on the request to release the audio recordings of the first cabinet meetings of the Fico government. Release of these tapes was demanded so as to determine the legality of a controversial dismissal of state secretaries. However, the Court confirmed the lower court ruling that the tapes did not constitute government information and therefore did not need to be released.

### Civil rights

#### Civil rights

Score: 7

In Slovakia, civil rights are largely respected. However, some problems exist with regard to the police's treatment of Roma suspects, the integrity of the judiciary, the duration of court proceedings and the length of pretrial detention. In July 2009 alone, the European Court of Human Rights issued 13 verdicts against

Slovakia for exceeding the “reasonable time” requirement. An amendment to the Highway Act in November 2008, as well as threats by Prime Ministers Fico to expropriate foreign-owned gas companies, raised some concerns about the state’s respect for private property rights. Finally, the Slovak ombudsman has repeatedly asked for a broadening of his competencies along the lines of most European countries. As it stands, he can deal only with a limited range of civil rights.

Political liberties  
Score: 7

Political liberties are largely respected and protected by the state. They were violated in 2009 when the government banned a protest against the Chinese president’s state visit, a ban later declared illegal by the Bratislava Regional Court. Moreover, the Fico government substantially weakened public and NGO participation in decision-making regarding highway construction and environmental issues. The European Commission fiercely criticized this development several times, which led to the Commission threatening to cut financial support in February 2010.

Non-discrimination  
Score: 4

When the Fico government came to power, concerns were raised about an increase in the discrimination of Hungarians, Roma and Jewish people. These concerns have largely been confirmed. On the positive side, the government amended the Anti-Discrimination Act in February 2008 and expanded the ban on discrimination. Moreover, the new School Act, adopted in May 2008, clearly prohibits discrimination and segregation in education, and the government presented a comprehensive medium-term program in 2008 targeting improvements to the Roma population’s situation. However, the Fico government stuck to its racist political discourse and did little to ensure that existing anti-discrimination legislation was enforced. With respect to the Hungarian minority, the government even adopted new discriminatory legislation, which was heavily criticized inside and outside Slovakia. The 2009 State Language Act introduced sanctions for violating the standard rules of the Slovak language. The 2010 Patriotism Act calls for “patriotic” education in schools and for placing the Slovak national emblem, flag and anthem, as well as the preamble of the Slovak constitution, in every classroom and every local or regional parliament. As a result of the government’s discourse and measures, public attitudes against minority groups, especially Hungarians, have apparently deteriorated (ECRI 2009). There is also evidence of an increase in racially motivated violence against ethnic minorities.

Citation:

European Commission against Racism and Intolerance (ECRI) 2009:, Fourth Report on Slovakia, 26.5.2009 [http://hudoc.ecri.coe.int/XML/ECRI/ENGLISH/Cycle\\_04/04\\_CbC\\_eng/SVK-CbC- IV-2009-02 0-ENG.pdf](http://hudoc.ecri.coe.int/XML/ECRI/ENGLISH/Cycle_04/04_CbC_eng/SVK-CbC- IV-2009-02 0-ENG.pdf);

## Rule of law

Legal certainty  
Score: 5

Legal certainty has suffered from contradictory legal provisions and frequent amendments. The government's amendments to the pension system represent a good example of this. By twice changing the rules regarding the second pillar (which is mandatory, but private and fully funded), the Fico government undermined the trust in the reliability of the rules, thus complicating attempts to plan and provide pensions for old age. In general, the Fico government showed little respect for the law and ignored it several times. It violated the procedures of rule-making by making heavy use of the fast-track legislation procedure, which limits the parliamentary scrutiny of bills. It also reneged on commitments made to investors and intervened in the pricing of utilities.

Judicial review  
Score: 5

Under the Fico government, government interference with the courts' independence increased. In particular Minister of Justice Minister Štefan Harabin, who became Supreme Court Chair in 2009, exerted strong pressure on the judiciary. This ranged from public comments on the performance of particular courts and justices, attempts to directly influence individual court decisions, to the initiation of disciplinary proceedings against and the suspension of inconvenient justices. While most justices have withstood Harabin's interventions, the latter have infringed upon the functioning of the judiciary by creating a climate of suspicion and intimidation. Especially at the lower courts, the control function of the courts is further limited by a lack of training and inefficient organization.

Appointment of  
justices  
Score: 6

The justices of the Constitutional Court and the Supreme Court are selected by the president on the basis of proposals made by the parliament and without special majority requirements. In June 2009, the sitting Justice Minister Stefan Harabin was elected head of the Supreme Court. This decision was criticized by part of the public. A petition by NGOs pointing to Harabin's personal contacts with a person suspected of organized drug-related activity and his misuse of disciplinary actions was signed by 12,000 citizens. Critics also argued that, according to the constitution, members of the Supreme Court need to be sitting judges.

Corruption  
prevention  
Score: 3

Corruption has been a major issue in Slovakia for some time. Corruption claims against the center-right parties contributed to the 2006 change in government. However, the new government did not pay much attention to the prevention of corruption. The fight against corruption did not feature in the government's program and no official

government strategy in the field existed. The Fico government also abolished the special court and the special prosecutor's office for corruption cases which had been established by the previous government in order to improve enforcement. In the period under review, party cronyism and clientelism flourished. In a number of cases, public subsidies, state contracts or emission rights went to firms close to representatives of the governing coalition. Corruption scandals involved the leaders of two parties in government, Ján Slota, the chair of the SNS, and Vladimír Mečiar, the head of the L'S-HZDS. In addition, three ministers were replaced after being implicated in corruption charges. Popular dissatisfaction with the government's record was high. In a poll by the Institute for Public Affairs (IVO) in November 2008, 42% of the respondents said the level of corruption had worsened and another 45% did not see any progress (Bútorá et al. 2009, pp. 103-131). According to the poll, corruption was the field in which citizens were the most critical of the Fico government.

Citation:

Bútorá, Martin/Mesežnikov, Grigorij/Kollár, Miroslav (eds.), 2009: Slovakia 2008. Trend in Quality of Democracy, Bratislava: IVO.

## II. Policy-specific performance

### A Economy

#### Economy

The parties forming the Fico government had in the past been critical of the "liberal" policies of the previous administration. During the 2006 election campaign, Fico promised to strengthen the state and introduce social measures to soften the impact of structural economic change. After taking over, however, the Fico government refrained from major policy reversals. For one thing, its room for maneuvering was limited by the structural reforms of the previous government and EU membership. For another, the government did not want to put the strong performance of the Slovak economy at risk. The economic crisis, which hit the Slovak economy rather strongly, revealed the weaknesses of the Slovak economy, especially its high dependence on foreign investors and a limited number of economic sectors. The Fico government failed to address these problems.

Economic policy  
Score: 6

## Labor market

Labor market policy  
Score: 4

Unlike its predecessor, the Fico government put the emphasis on active labor market policy rather on increasing labor market flexibility. It increased the minimum wage several times, with a view to protecting the most vulnerable groups. The Slovakia 21 Modernization Program, approved by the Government in June 2008, included an expansion of employment opportunities for the long-term unemployed. Further measures were adopted as part of the response to the economic crisis. However, the government failed to address the high tax wedge on labor caused by high social security contributions. By and large, the effects of the government's labor market policy have been modest. The measures failed to prevent a strong increase in unemployment in the wake of the economic crisis, to reduce the high rates of long-term unemployment and to bring down the sharp regional imbalances in (un)employment.

## Enterprises

Enterprise policy  
Score: 3

Enterprise policy in Slovakia has largely focused on attracting foreign investment. As a result, the Slovak economy has become highly dependent on foreign investors, most notably in the automotive and the electro-technical sectors, and was hit hard by the economic crisis. The strong output decline in 2009 has underlined the need for diversification and for strengthening the domestic industry. The Fico government paid some attention to this issue in its government manifesto, but failed to do anything about it.

## Taxes

Tax policy  
Score: 8

Slovakia's tax system was overhauled in 2004. It features a uniform ("flat") tax rate of 19% for personal income, corporate income and consumption (VAT) respectively. Although the governing coalition parties had initially criticized the new system for its liberal bias and unjust effects, the Fico government left the system largely untouched and confined itself to minor changes, because the system has received much international acclaim and has turned out to be quite popular in Slovakia as well. At the same time, the government failed to reduce the ballooning fiscal deficit through its unpopular tax increases, and it did nothing to reduce the high non-wage labor costs incurred by social insurance contributions – which are among the highest in the world.

## Budgets

Budget policy  
Score: 5

Slovakia's public debt is relatively low. Strong economic growth in 2008 helped the country in meeting the Maastricht deficit criterion needed to enter the euro zone in 2009. The government reacted reluctantly to the economic crisis, confining itself to adopting two relatively small fiscal stimulus packages in November 2008 and February 2009. Due to the strong decline in output, the fiscal stance deteriorated drastically in 2009. Not the least because of the 2010 elections, the Fico government refrained from launching major attempts at fiscal adjustment. Medium-term fiscal problems are aggravated by the rising hidden debt accumulated by the health care sector, public companies and private-public partnerships, most notably in the field of highway construction.

## B Social affairs

### Health care

Health policy  
Score: 5

Slovakia has a mandatory social insurance system that provides all residents with primary, secondary and tertiary care, pharmaceuticals and medical devices. The state covers insurance for children, pensioners and women on maternity leave. Whereas the health care reforms of the previous government emphasized market principles and individual responsibility, the Fico government stressed equity issues. It cut VAT on medicine, abolished the (largely symbolic) extra fees introduced by its predecessor (€0.66 paid for each visit and each prescription) and increased access to health care at spas. The most important structural reform was the controversial move to interdict private health-insurance companies to make profits. Despite promises during the 2006 election campaign, the government did not increase the wages in the health care sector, thus keeping petty corruption alive. Nor did it undertake any significant attempts to increase the quality and efficiency of health care services.

### Social inclusion

Social inclusion  
policy  
Score: 5

In its rhetoric, the Fico government heavily emphasized social inclusion. The measures adopted focused on providing selective benefits to the elderly and to families with children. In contrast, social protection for the unemployed has been less generous. The

government refrained from prolonging the maximum duration of unemployment benefits after the economic crisis, and it took until January 2010 that it relaxed the rather tight requirements for becoming eligible to unemployment benefits. Still, social disparities and (relative) poverty have remained limited since the onset of the economic crisis. However, the Roma minority suffers a high degree of social exclusion.

### **Families**

Family policy  
Score: 5

In Slovakia, traditional notions of the family are still rather strong. Mothers of children under two years rarely work, maternal employment rates are below the OECD average, and working women face an enormous double burden of both professional and domestic responsibilities. This situation is reinforced by the low incidence of part-time employment, income tax splitting and the relatively long duration of parental leave. Child care facilities are limited and have not kept up with the increase in birth rates. The lack of kindergarten slots is felt in larger towns in particular. The family policy of the Fico government focused on improving the financial situation of families with children through the increase of different family and child benefits. However, the government did not pursue a consistent strategy to improve the reconciliation of employment with family and the inclusion of women into the labor market. The abolition of fees for the last pre-school year was too small and isolated of a measure to make a difference.

### **Pensions**

Pension policy  
Score: 7

Slovakia has a three-pillar pension system with a strong mandatory second pillar that has won much international acclaim. The Fico government's pension policy largely focused on strengthening the financial situation of the first pillar by inducing those who have opted out of the first pillar to return. Breaking with the original rules, the second pillar was "opened" twice in 2008. However, the government's campaign against the second pillar largely failed, with only few people returning to the first pillar. The popularity of the second pillar amidst declining returns partly rests on the possibility for policyholders to bequeath savings. Moreover, the National Bank of Slovakia bolstered the support for the scheme. Rejecting claims by the government, it publicly emphasized the sound supervision and the high efficiency of the scheme. Except for the opening of the second pillar, the Fico government did little to make the first pillar more financially viable.

## Integration

Integration policy  
Score: 4

The number of foreign residents has increased by about 10,000 persons annually in recent years and has doubled since 2005. Because of Slovakia's accession to the Schengen area in late 2007, the number of illegal border crossings has fallen. The Fico government paid little attention to the integration of migrants, and migrants have only very limited opportunities to participate politically or to reunite with their family. Employers complain that the procedures for recruiting foreign workers are overly bureaucratic and too time-consuming.

## C Security

### External security

External security  
policy  
Score: 7

Slovakia is well integrated into NATO and the EU, and it has participated in a number of peacekeeping missions, including Afghanistan, Cyprus, and Bosnia and Herzegovina. The capacity of the Slovak army has suffered from a decline in military spending, which reached a mere 1.4% of GDP in 2009. A particularly intense problem is troop transport. Slovakia withdrew from the Strategic Airlift Capability project coordinated by the U.S. Army and instead took part in the competing Airbus project. Since the latter has not been completed yet, Slovakia must rely on other countries to move troops to remote destinations. The Fico government's foreign policy, namely its rapprochement with Russia, led to some irritations abroad, thereby weakening the country's international position. Slovakia's cordial relationship with Russia was illustrated by the government's decision to extend cooperation in the military and energy sectors, Slovakia's siding with Russia in the 2008 Russian-Georgian conflict, its refusal to recognize Kosovo's independence, and the government's confrontational approach to Hungary, which culminated in the diplomatic row over the entry of the Hungarian president in Slovakia in August 2008.

### Internal security

Internal security  
policy  
Score: 7

Slovakia's accession to the Schengen group in December 2007, associated with training programs and foreign assistance, most notably from Austria, has resulted in a professionalization of the



Slovak police force and border control. However, the Fico government did not close important loopholes in legislation, including witness protection. Moreover, the efficiency of the police force still suffers from underfunding, corruption and a low level of trust among the population.

## D Resources

### Environment

Environmental  
policy  
Score: 4

The Fico government's record in environmental policy is mixed. On the one hand, it adopted some much-awaited measures such as an amendment to the Law on Waste (2008), a new Law on Packaging Waste (2008) or an Action Plan for Biomass Use for the period 2008-2013. On the other hand, the implementation of environmental programs in Slovakia has remained patchy. The number of infringements on EU environmental legislation doubled from 8 in 2007 to 15 in 2008. Moreover, the high dependence on Russian gas and the resulting shortages in the wake of the Russian-Ukrainian gas war in winter 2008/2009 led the government to consider some controversial measures in order to improve Slovakia's energy security. Prime Minister Fico pushed for restarting the Jaslovské Bohunice nuclear plant, which had been shut down at the end of 2008 for security reasons within the framework of EU accession. While this plan eventually fell victim to broad domestic and international protest, the government approved the building of a new coal-fired power plant, which will increase total greenhouse gas emissions considerably and is thus difficult to reconcile with the country's international commitments to limiting climate change.

### Research and innovation

Research and  
innovation policy  
Score: 4

Slovakia has suffered from a low volume and quality of R&D activities. The research and innovation policy of the Fico government, which approved a reform program for 2008-2010 in February 2008, was broadly in line with that of the previous government and aimed at strengthening R&D in enterprises through the creation of regional innovation structures involving enterprises, municipalities, universities and other public research institutes. Financial assistance has focused on technology transfers, business and technology incubators, R&D cooperation and risk capital schemes supporting SMEs. The Fico government increased the share of EU funds devoted to the support of research and innovation, but failed to raise overall spending on

R&D. At nearly 0.47% of GDP, R&D spending has remained low by EU and broader regional standards, and failed to meet the targets set by the previous government.

### **Education**

Education policy  
Score: 3

Education reform was one of the main policy items left from the previous governments. The Fico government amended the School Act in 2008, but refrained from instituting major reforms. It presented a number of well-sounding policy papers on improving education of the Roma, but failed to implement them. The 2010 Patriotism Act introduced a re-nationalization of education. The Fico government did nothing to expand tertiary education, which has been characterized by strong regional disparities and the lowest enrollment rate in the OECD. Public spending on higher education decreased in 2008 and stayed at a relatively low level in 2009.

## Management Index

### I. Executive Capacity

#### A Steering capability

##### Strategic capacity

Strategic planning  
Score: 3

The institutional capacity for strategic planning in Slovakia is weak. Capacities for planning in the ministries are limited, and there is no central policy planning unit in the Government Office. The Fico government showed little interest in strategic planning and did not develop any long-term strategies. Policy-making strongly relied on informal and intransparent agreements in the coalition council, which consists of the three leaders of the government parties only.

Scholarly advice  
Score: 3

Under the Fico government, the influence of academic experts decreased substantially. Prime Minister Fico regarded most scholars and think tanks as allies of the previous government and thus was not interested in their advice. The government discontinued the cooperation and exchange with the Research Center of the Slovak Foreign Policy Association (SFPA) and the Institute for Public Affairs (IVO), Slovakia's two most important independent think tanks. Other public research institutes did not fall out of favor. The government supported "prognostic" research on a development strategy for Slovakia, which was conducted by the Slovak Academy of Sciences and by the Economic University in Bratislava. It organized a public discussion of the findings of this research and adopted them as a government document. However, the actual tangible impact of this document and other advice on government policy-making was limited.

##### Inter-ministerial coordination

GO expertise  
Score: 4

Slovakia has a strong tradition of departmentalism and collegial cabinets (Blondel et al. 2007). The Government Office focuses on the legal and technical coherence of draft bills, but lacks the capacity and sectoral expertise to evaluate their policy content. Prime Minister Fico

made little use of the policy expertise available at the Government Office.

Citation:

Blondel, Jean, Ferdinand Müller-Rommel, Darina Malová et al., 2007: *Governing New Democracies*. Basingstoke/ London: Palgrave.

GO gatekeeping  
Score: 5

The Government Office has the formal power to return draft laws on policy grounds. In practice, however, the gatekeeping role of the Government Office is of limited importance since most legislative projects are discussed beforehand in the coalition council and undergo a complex process of interministerial coordination. Prime Minister Fico pursued an informal and personalistic style of governing and did not make much use of the Government Office's formal competencies.

Line ministries  
Score: 3

The Government Office is not systematically involved in line ministries' preparation of policy proposals. Once the government manifesto and the coalition council have defined certain projects, the full responsibility for drafting bills rests with the line ministries. The Government Office is only occasionally briefed about the state of affairs and seldom intervenes. Under the Fico government, this particularly applied to the line ministries led by Smer-SD's coalition partners.

Cabinet committees  
Score: 6

Cabinet committees have traditionally played an important role in the preparation of cabinet meetings in Slovakia. Under the Fico government, their importance declined. Instead, the coalition council, the prime minister and the minister of finance took on more important roles in the process of interministerial coordination.

Senior ministry officials  
Score: 7

Senior ministry officials are heavily involved in the interministerial coordination process. They take care of the coordination at the drafting stage. In addition, there is a special reconciliation procedure involving senior civil servants in the event of conflicts among ministers.

Line ministry civil servants  
Score: 5

Line ministries are required to coordinate with other ministries at early stages of the legislative process. Coordination by civil servants is complicated by a strong departmentalist culture. Under the Fico government, the "outsourcing" of law-making to think tanks that had been characteristic of the Dzurinda government, lost relevance. At the same time, the politicization of ministries limited the scope for bureaucratic coordination "from the bottom."

Informal coordination procedures  
Score: 8

In the Fico government, informal coordination procedures played a significant role in policy coordination. The leaders of the three parties in government met frequently and took major decisions in the

coalition council. Press conferences after these meetings were rare. When they took place, very limited information about the decisions taken was given. The dominant role of the three party leaders in their parties also meant that a lot of policy coordination took place in party meetings.

## RIA

RIA application  
Score: 4

The provisions on RIA are still in flux. RIA application suffers from a number of weaknesses (Chren 2009). First, RIA are not obligatory and can be circumvented relatively easily. Second, the supervision of RIA is divided among different agencies, and the supervising agencies can only check the formal correctness of the assessments, but not their substantial quality. Third, as RIA is strongly integrated in the normal process of interministerial coordination, it is often reduced to an instrument for improving coordination within government.

Citation:

Chren, Martin 2009: Better Regulation in the Slovak Republic: Consultation Practices within the Process of Public Policies - Challenges and Opportunities. Paris: OECD (<http://www.sigmaweb.org/dataoecd/32/26/41838209.pdf>).

Needs analysis  
Score: 3

The RIA guidelines call for a detailed analysis of the purpose of and need for a regulation. In practice, however, most assessments do little more than claiming a rationale for a regulation.

Alternative options  
Score: 3

Officially, RIA must include a comprehensive analysis of alternative options. In practice, however, alternatives are rarely considered in a systematic fashion.

## Societal consultation

Negotiating public support  
Score: 5

The Fico government's willingness to consult with economic and social actors was low and rather selective. Fico regarded most interest associations and NGOs as nuisances, if not enemies. The main exception was the Slovak Confederation of Trade Unions (KOZ) with its strong links to Smer-SD. The government accepted some demands by the unions and strengthened the competencies of the tripartite Economic and Social Council (Hospodárska at Sociálna Rada, HSK). Trade unions complained, however, that the Fico government did not take tripartism seriously.

## Policy communication

Coherent  
communication  
Score: 3

The Fico government did little to streamline its communication policy. Contradictory statements by ministries were frequent, since ministers followed party strategies rather than government guidelines and Prime Minister Fico did not impose much discipline on his coalition partners.

## B Policy implementation

### Effective implementation

Government  
efficiency  
Score: 5

The 2006 Government Manifesto of the Fico was relatively vague, especially in the field of economic and social policy. As a result, there was a certain discrepancy between the bombastic goals and declarations (“restoration of the social state”) and the limited measures adopted. However, the government succeeded in meeting well-specified goals, most notably the introduction of the euro in January 2009. The legislative output of the Fico government was similar to that of its predecessor. In order to achieve its objectives, the government often relied on the controversial “fast track procedure,” thereby limiting the participation of parliament.

Ministerial  
compliance  
Score: 4

Under the Fico government, ministers were more bound to their parties and party leaders than to the government as such. Only occasionally did Prime Minister Fico make use of his right to dismiss ministers. In August 2009, he recalled Minister of the Environment Viliam Turuský. Violating the coalition agreement, he even took away the SNS’ portfolio without any compensation.

Monitoring line  
ministries  
Score: 4

During the Fico government, the activities of line ministries were not heavily monitored. The Government Office respected the assignment of ministries in the Coalition Treaty and largely refrained from monitoring the activities of line ministries led by Prime Minister Fico’s coalition partners. Monitoring was stronger in the case of ministers from Smer.

Monitoring agencies  
Score: 5

Under the Fico government, the politicization of executive agencies increased. The government reduced the autonomy of the independent regulatory agencies responsible for setting the politically sensitive prices of gas, electricity, telecommunication, post services or public transport and filled leading positions in executive agencies with political followers. In a number of cases, political and personal ties prevented the sanctioning of misconduct.

Task funding  
Score: 6

In the wake of the economic crisis, local governments in Slovakia have suffered from substantial fiscal problems. In 2009 and 2010, the central government provided local governments with additional money. However, allocations were too small to compensate for the decline in tax revenues. As a result, some smaller municipalities were not able to preserve the standard of public services. The government's tax policy aggravated the fiscal problems of the subnational governments. Two amendments to income tax law substantially reduced local revenues from the income tax.

Constitutional discretion  
Score: 5

The Fico government did not continue the policy of decentralization pursued under its predecessor, but sought to strengthen the position of central government. During the period under review, subnational governments and central government often clashed. One case in point is the 2008 amendment of the Highway Act which made it easier for central government to overcome local resistance against highway projects.

National standards  
Score: 4

There are only poorly defined standards of public services, especially with regard to the independent functions of subnational governments. Moreover, the monitoring of standards is often fragmented. In the case of health care, for instance, the Health Care Supervision Authority, the Public Health Authority, the National Health Information Centre and State Institute for Drug Control are all involved in supervision. Despite its inclination towards centralization, the Fico government did not tackle the issue.

## C Institutional learning

### Adaptability

Domestic adaptability  
Score: 4

Under the Fico government, government structures remained largely unchanged. Despite some announcement to the contrary in the government's program, the government did not adopt any institutional reforms to strengthen Slovakia's influence in the EU or to make full use of the available EU funds. Coordination in EU affairs remained ad hoc.

International coordination  
Score: 3

Under the Fico government, Slovakia's role in the EU and in other international organizations decreased. Prime Minister Fico largely focused on domestic issues. For example, he did not attend a single NATO summit. Slovakia also passed on the presidency of the OECD in 2010. Foreign Minister Lajcak justified this extraordinary decision by citing reasons related to the upcoming elections.

### **Organizational reform capacity**

Self-monitoring  
Score: 4

There is no regular self-monitoring of institutional arrangements. Compared to the Dzurinda government, the number of audits by private sector organizations declined, and the analysis provided in the annual reports of state organizations became increasingly formal and self-congratulatory.

Institutional reform  
Score: 4

Under the Fico government, no attempts at improving the strategic capacity of government through institutional reforms were undertaken. Instead, Prime Minister Fico capitalized on his personal popularity and his position as party leader and used informal means such as patronage or deals with the leaders of his coalition partners to strengthen his position.

## **II. Executive accountability**

### **D Citizens**

#### **Knowledge of government policy**

Policy knowledge  
Score: 5

Citizens' knowledge of government policy is limited. While substantial information is available, the media literacy of the population and the public interest in policies are low. The recurring corruption scandals have led to frustration and disenchantment. According to a poll in 2008, less than half of Slovak citizens trust the cabinet and even less than half of the population trusts the parliament. A near two-thirds of the population is concerned about the undignified behavior of politicians (Bútorá et al. 2009, pp. 20-21, 33-34).

Citation:

Bútorá, Martin/Mesežnikov, Grigorij/Kollár, Miroslav (eds.), 2009: Slovakia 2008. Trend in Quality of Democracy, Bratislava: IVO.



## E Legislature

### Legislative accountability

Obtaining documents Score: 6	Parliamentary committees have the right to ask for almost all government documents. However, the Fico government frequently delivered draft bills and other documents with considerable delay, thereby infringing on the work of the committees.
Summoning ministers Score: 8	The right of parliamentary committees to summon ministers is enshrined in Art. 85 of the Slovak constitution. Under the Fico government, however, the MPs of the governing parties tried to limit invitations, and the ministers were often short-spoken.
Summoning experts Score: 8	Parliamentary committees may invite experts. Under the Fico government, the number of invited experts declined. The governing coalition was less interested in expert advice and perceived most experts as allies of the opposition.
Task area coincidence Score: 9	In the term from 2006-2010, there were more committees than ministries, but all ministerial task areas were covered by committees and there was just one committee – the Committee for Human Rights, Minorities and the Status of Women – with several ministerial counterparts. The division of subject areas among committees did not hamper the parliamentary control of ministries.
Audit office Score: 7	The Supreme Audit Office of the Slovak Republic is an independent authority accountable exclusively to parliament. The chairman and the two vice-chairmen are elected by parliament for seven years each, and the office reports regularly and whenever requested to the parliament. The Supreme Audit Office has far-reaching competencies. However, its position is limited by a lack of resources. In the period under review, some of its initiatives, most notably an audit of the privatization of the Slovak gas industry, were prompted by the government, thus casting some doubt on its independence. Moreover, its monitoring activities slowed down during the review period.
Ombuds office Score: 8	In addition to the Petitions and Complaints Office of the parliament, there is an independent ombudsman, the Public Defender of Rights, who is accountable exclusively to parliament. The Public Defender is elected by parliament for a term of five years and reports regularly to parliament. Pavel Kandráč, ombudsman since 2002, has enjoyed a good reputation and has been quite effective in settling issues. The mandate of the ombudsman has been more limited than that seen in some other European countries.

## F Intermediary organizations

### Media

Media reporting  
Score: 5

The quality of media reporting has declined. The public TV and radio programs have lost market shares. Moreover, the commercialization of nationwide broadcasters has had a negative impact on public interest news, current-affairs coverage and public stations overall. One important problem is the quality of journalists. The number of highly trained and educated journalists is decreasing, meaning that many journalists lack policy knowledge and the requisite critical distance.

### Parties and interest associations

Party competence  
Score: 5

The programmatic capacity of the Slovak parties is limited. The small parties – SNS, L'S-HZDS, KDH and SMK – represent particular groups of voters, so that their electoral programs are largely tailored to the interests of these groups. Smer-SD's electoral program for the 2010 elections had a strongly declaratory character. It stressed the positive record of the Fico government and emphasized the importance of social policy, but was short on details. The program of the SKDU, the biggest opposition party, originally focused on improving administration. Fiscal responsibility became a major issue only after the Czech elections and the culmination of the Greek crisis. Until then, the SKDU had largely refrained from criticizing the popular economic and social policies of the Fico government.

Association  
competence  
(business)  
Score: 6

The policy competence of trade unions and business associations differs. Trade unions' ability to produce solid analytical output has been limited. Unions have suffered from weak leadership and have largely relied on their contacts to the governing Smer-SD party. Business associations are in a better position to provide full-blown policy proposals, in part because they have more resources, and some of them even run or support think tanks or rely on independent experts. However, some business associations pursue narrow-minded interests. The best example of this might be the construction companies (i.e., the "concrete lobby"), which were extremely successful in lobbying for a costly expansion of highways.

Association  
competence  
(others)  
Score: 8

Slovakia has a vibrant third sector which was quite active in monitoring the Fico government and in organizing campaigns and protests against many controversial laws and activities, especially in

the fields of civil rights, non-discrimination and environmental protection. Many interest associations demonstrate considerable policy knowledge, and there are several think tanks that involve various experts from the previous government in their work. Policy proposals developed by interest associations have featured prominently in the media.

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Contact:

Bertelsmann Stiftung  
Carl-Bertelsmann-Straße 256  
33311 Gütersloh

Dr. Daniel Schraad-Tischler  
[daniel.schraad-tischler@bertelsmann-stiftung.de](mailto:daniel.schraad-tischler@bertelsmann-stiftung.de)

Najim Azahaf  
[najim.azahaf@bertelsmann-stiftung.de](mailto:najim.azahaf@bertelsmann-stiftung.de)