

SGI Sustainable
Governance
Indicators

2014 Slovenia Report

Miro Hacek, Susanne Pickel,
Frank Bönker (Coordinator)



Executive Summary

In the period under review, Slovenia experienced substantial political and economic turbulence. Suffering from political scandals, internal conflicts and an indecisive prime minister, Borut Pahor's center-left coalition government was already very unstable by the beginning of 2011. Following the departure of four ministers and two coalition parties and defeat at the June 2011 triple reform referendum, the government collapsed and for the first time in Slovenian history early parliamentary elections were held in December 2011. These elections resulted in an unexpected victory for the newly established party, Positive Slovenia (Pozitivna Slovenija, PS). As this party failed to form a majority, a center-right coalition government under the leadership of Janez Janša emerged. However, this government turned out to be short-lived as well and fell apart in early 2013 when it became known that two of the seven main party leaders, including Prime Minister Janša, had systematically violated the law by failing to properly report their personal assets. Ultimately a new center-left government led by Alenka Bratušek was sworn in.

The fact that this political turbulence left the country's democratic institutions intact testifies to the quality of democracy in Slovenia. The electoral process in the country is free and fair, civil rights and political liberties are largely respected, and the media and the court system are independent. As the allegations against Prime Minister Janša highlighted, however, corruption remains high. A related problem is the insufficient regulation of party financing. Moreover, despite efforts to reduce waiting and trial times, court proceedings are still too long. One major Slovenian peculiarity is the extent of popular decision-making. Far-reaching rights and low thresholds to initiate referenda and a heavy use of these rights have made Slovenia a "referendum country." While the constitutional amendment that was adopted in May 2013 was a reaction to the rejection of 2011's attempts at major economic and fiscal reforms, it has restricted indirect democracy, although there is still a lot of scope left for citizen initiatives.

The main policy challenge in Slovenia has been the interaction of a double-dip recession, rising public debt and deteriorating access to international financial markets. The Pahor government reacted slowly to the accumulating problems

and failed to reach an agreement with the social partners on economic and social reform. The Janša government acted more decisively. It succeeded in reducing a budget deficit that had gone through the roof under its predecessor, and in passing pension, labor market and banking reforms. Preoccupied with fiscal austerity, however, the Janša government neglected other structural reforms and public investment. With its confrontational style, it alienated broad parts of the public. As a result, reforms were not sufficient to prevent sovereign rating downgrades or to disperse concerns that limited access to international financial markets might force Slovenia to apply for euro rescue funds.

In terms of governance, Slovenia has been characterized by a strong corporatist tradition. The latter's effects on the government's strategic capacity have been ambivalent. Under the Pahor government, the strong position of the unions prevented the adoption of reforms. As Slovenia's economic problems became more visible and acute, however, the unions eventually accepted major reforms and gave the Janša and the Bratušek governments some chance to capitalize on the support of social partners. Janša's confrontational style, however, left a legacy of mistrust and polarization.

Partly as a result of the strong corporatist tradition, policymaking in Slovenia has suffered from a lack of strategic planning, a very limited reliance on independent academic experts, a weak core executive, a politicized civil service and a largely symbolic use of RIA. There has been no regular self-monitoring of institutional arrangements. Unlike its predecessor, the Janša government undertook substantial institutional reforms. Most importantly, it reduced the number of Cabinet members from 17 to 13, abolished the Government Office of the Republic of Slovenia for Local Self-Government and Regional Policy and reformed the institutional framework for the absorption of EU funds. However, these reforms served primarily political aims and were implemented too hastily, so they did not really improve the government's strategic capacity.

Key Challenges

Slovenia has long been characterized by consensual policymaking and gradual changes. It has also been widely perceived as a stronghold of corporatism and social inclusion among the post-communist member states of the European Union. In the period under review, however, the traditional model has come under severe stress. For one thing, the confrontational and non-inclusive style of the Janša government has contributed to an unprecedented political polarization. For another, the economic crisis has prompted the adoption of painful reforms and massive social hardships. Both developments, together with spectacular corruption scandals, have contributed to a strong disenchantment with politics among the population and a spreading cynicism about the political system, which is a long-term risk for the democratic development of Slovenia.

The main strategic question, then, is whether or not Slovenia will be able keep its social model in the face of the economic crisis. The Janša government started from the assumption that the answer to this question is negative and that the much-needed economic and social reforms make it necessary to sacrifice the traditional consensus-seeking and to give up the welfare state. It launched a number of important reforms but eventually broke apart as its confrontational style, its blurring of the public sector and the social costs of reform led to a loss of popular support. The new Bratušek government has taken a different approach. Its premises are that the Slovenian model needs to be reformed, but can survive the crisis and that a more inclusive policy style might even help both to tackle the crisis and to revitalize the Slovenian economy.

Of course, keeping a balance between a commitment to reform, on the one hand, and the maintenance of popular support, on the other, is difficult. As experience from Scandinavia, from post-communist economic reforms of the early 1990s and from social pacts in western Europe in advance of the euro introduction show, however, it can be done. So far, the Bratušek government has stayed the course and has largely refrained from watering down reforms. Commitment to reform has been favored by the high short-term pressure of the international financial markets as well as by the fact that part of the opposition have been discredited because of their participation in the Janša government. More generally, a center-left government might be in a better position than a center-right government to convince citizens of the need for an overhaul of the

welfare state. At the same time, however, the weak consolidation of the party system, as evidenced by the strong showing of new parties in the 2011 elections, raises the danger that new political forces will capitalize on dissatisfaction with economic and social reforms.

A number of changes in the Slovenian policymaking process might help to keep a balance between economic reform and social and political inclusion. Cases in point include a greater depoliticization of the civil service, the stronger use of expert advice, a strengthening of strategic planning and an improvement in RIA. Such changes would make it easier for the government to take a long-term perspective, to overcome resistance by special interest groups and to find public acceptance for reforms.

Policy Performance

I. Economic Policies

Economy

Economic Policy
Score: 4

Slovenia was hit strongly by the crisis and has undergone a double-dip recession since 2009. The Pahor government reacted slowly to the accumulating problems and failed to reach an agreement with social partners on economic and social reform. The Janša government acted more decisively. It succeeded in reducing the budget deficit that had gone through the roof under its predecessor, and in passing pension, labor market and banking reforms. Preoccupied with fiscal austerity, however, the Janša government neglected other structural reforms and public investment and alienated broad parts of the public. As a result, reforms were not sufficient to prevent sovereign rating downgrades and concerns that limited access to international financial markets might force the country to apply for euro rescue funds.

Labor Markets

Labor Market Policy
Score: 5

In Slovenia, unemployment has risen since 2009 and in 2013 reached the highest value since the start of the Labor Force Survey in 1993. There is a long tradition of labor market policy which dates back to Yugoslav time. The existing public works program, however, has not proven very effective. The Pahor government undertook a first attempt at liberalizing Slovenia's highly regulated labor market, but fell victim to a referendum initiated by the trade unions in June 2011. Labor market reform was eventually adopted unanimously by the National Assembly in March 2013. The reforms are relatively modest, but will make hiring and firing in Slovenia less bureaucratic. Within the framework of the 2012 Fiscal Balance Act, the Janša government slightly reduced the replacement rates for unemployment benefits, but left the generous maximum period of benefit receipt untouched.

Taxes

Tax Policy
Score: 4

Slovenia's tax system was overhauled in the 2004 – 2008 term, and has changed only gradually since then. Tax revenues have been relatively high in relation to GDP, but have not been sufficient to prevent the emergence of high budget deficits. Tax revenues stem from a broad range of taxes, with a high percentage of about 40% of all tax revenues coming from social insurance contributions. A progressive income tax with tax rates of 16%, 27% and 41% provides for some vertical equity. As the thresholds are set rather low, however, the majority of middle-income class citizens fall into the highest category. The tax burden for enterprises is below the EU average, but higher than in most other East-Central European countries. The Pahor and the Janša governments refrained from making any tax increases and did little to reform the tax system. However, the Janša government tried to make Slovenia more attractive to foreign investors by adopting a gradual lowering of the corporate income tax from 18% in 2012 to 15% in 2015. The Bratušek government has increased indirect taxes in order to reduce the fiscal deficit.

Budgets

Budgetary Policy
Score: 4

The Pahor government, elected in late 2008, reacted reluctantly to the economic crisis. It confined itself to adopting relatively small fiscal stimulus packages and did not adopt any measures to limit public expenditure growth in the medium-term. Due to the steep decline in output, the fiscal stance deteriorated drastically after 2009. Medium-term fiscal problems are further aggravated by the rising debt accumulated by the health care sector, by public companies and especially by state-owned banks. While the Pahor government refrained from launching major fiscal adjustments, the Janša government succeeded in lowering the fiscal deficit by freezing employment in the public sector and cutting public spending. On 25 May 2013, the Slovenian Parliament, in line with the European Union's Fiscal Compact, enshrined a "debt brake" in the constitution.

Research and Innovation

R&I Policy
Score: 4

Slovenia has suffered from a low quantity and quality of R&D activities for a long time. The Pahor government aimed to strengthen R&D in enterprises and research institutions and, despite the negative effects of the economic crisis, succeeded in slightly raising public R&D spending in 2011. The Janša government put less emphasis on R&D. Its 2012 Fiscal Balance Act cut the

public R&D budget by 13%. Both the Pahor and the Janša government managed to increase the share of EU funds devoted to the support of research and innovation.

Global Financial System

Stabilizing Global
Financial Markets
Score: 4

Compared to most other East-Central European countries, the degree of foreign ownership in the Slovenian financial sector is low, and the decision of the Belgian KBC bank to sell its share in largest Slovenian bank NLB to the state for a symbolic amount will even further lower this share. The Slovenian banking sector has suffered from a heavy burden of bad loans for some time. Whereas the Pahor government did little to address the problem, the Janša government prepared a Bad Bank Law, the implementation of which was temporarily stopped by the fall of the government in spring 2013. However, neither the Pahor nor the Janša governments contributed actively to improving the regulation and supervision of international financial markets.

II. Social Policies

Education

Education Policy
Score: 7

Slovenia has moved relatively rapidly from the socialist curriculum tradition towards a more flexible organization of education. With a high share of the population aged 25 to 64 having completed at least upper secondary education as well as high ranks in international educational achievement tests, the education system fares relatively well by international comparison (Eris 2011; Štremfel /Lajh 2012). The most pressing problems are a small share of pupils enlisted in vocational education and in fields such as engineering, and an underfunded tertiary education system with low completion rates. A White Paper on Education, prepared between 2009 and 2011, has provided some guidance for reform. The measures adopted have focused on changes in the curriculum and on public campaigns for vocational education.

Citation:

Eris, Mehmet, 2011: Improving Educational Outcomes in Slovenia. OECD, Economics Department, Working Paper No. 915, Paris (<http://www.oecd-ilibrary.org/docserver/download/5kg0prg9b1g8.pdf?expires=1377810034&id=id&accname=guest&checksum=A24D79C1BA7F2F01CFFF744616E3A5F1>).

Štremfel, Urška/Lajh, Damjan, 2012: Development of Slovenian education policy in the European context and beyond. *Bulgarian Journal of Science and Education Policy*, vol. 6, no. 1, pp. 130-154.

Social Inclusion

Social Inclusion
Policy
Score: 7

Slovenia has a strong tradition of social inclusion and one of the lowest Gini coefficients in the OECD. In the past, social policy focused on providing selective benefits to the elderly and to families with children. Since the onset of the economic crisis, however, social disparities have widened. The Fiscal Balance Act, adopted by the Janša government in May 2012, cut several social benefits and has made social protection for the unemployed less generous.

Health

Health Policy
Score: 6

The Slovenian health care system is dominated by a compulsory public insurance scheme. This scheme guarantees universal access to basic health services, but does not cover all costs and treatments. In order to close this gap, citizens can take up additional insurance by Vzajemna, a new mutual health insurance organization established in 1999 or, since 2006, by commercial insurance companies. The quality of services, which are partly delivered by private providers and are organized locally, is relatively good, and total health spending is slightly below the OECD average. However, both the compulsory public health insurance scheme and the supplementary health insurance providers have suffered from severe financial problems for some time. While the need for reforms has been broadly accepted, no major reforms have been adopted.

Families

Family Policy
Score: 8

In Slovenia, female employment is high. The employment rate for women is above the EU average; part-time work is rare among women, and, at 78.7%, the employment rate of mothers with children under six was the highest in the European Union in 2011. The reconciliation of parenting and employment is favored by a provision of child care facilities that exceeds the EU average and meets the Barcelona targets both for children under three years of age and between three and five years of age. At 105 working days, the maximum duration of maternity leave is near the European average. Fathers have a right to 90 calendar days of paternity leave, of which only 15 are paid. These paid days must be taken during the first six months of the child's life, while the remaining 75 unpaid days can be taken before the child is three years old. In 2011, paternity leave was taken up by 80.8% of fathers for the paid period and 16.7% for the unpaid. After maternity leave expires, one parent exclusively or

both parents alternately have the right to take up to 260 days of paid leave for the care and protection of the child.

Pensions

Pension Policy
Score: 7

Slovenia has a traditional pay-as-you-go (PAYG) pension system with modest pensions, whose intergenerational fairness and financial sustainability in face of an aging society has suffered from a low employment rate for the elderly. Long-term projections in 2010 suggested that, without any reforms, public pension expenditure was likely to reach 11.2% of GDP in 2020 and 18.4% of GDP in 2050. The Pahor government undertook a first attempt at increasing the retirement age, and was rejected by over 70% of the voters at a June 2011 referendum initiated by the unions and the parliamentary opposition. The Janša government launched similar reforms, this time backed by and coordinated with the social partners. Adopted unanimously by the National Assembly in December 2012, these reforms gradually increase the full retirement age for both men and woman to 65, or after 40 years of pensionable service for workers of at least 60 years of age. The increase in the retirement age will be felt most strongly by women, who were previously eligible for a full pension at the age of 63 or after 38 years of pensionable service. Men already had to work until the age of 65, but were able to retire without any discounts at 58 when they had paid contributions for 40 years. The changes in retirement age were complemented by other measures, such as the introduction of incentives for people to continue working after qualifying for official retirement and some changes in the pension formula that slowed future pension growth.

Citation:

Skledar, Štefan, 2013: Retirement Age Increases as Reforms Take Effect. European Industrial Relations Observatory Online (<http://www.eurofound.europa.eu/eiro/2013/01/articles/si1301011i.htm>).

Integration

Integration Policy
Score: 4

The number of foreign residents in Slovenia dropped by 4,800 or 6% from May 2008 to April 2011 and has continued to fall since then because of the economic crisis. Both the Pahor and the Janša governments have paid little attention to the integration of migrants. Slovenia does not accept jus soli and full dual nationality, 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.

Safe Living

Safe Living
Conditions
Score: 9

Slovenia's accession to the Schengen group in December 2007 has resulted in a substantial professionalization of the Slovenian police force and border control. While the effectiveness of the police force still suffers from occasional underfunding and understaffing, actual and perceived security risks are rather low. According to a recent Eurobarometer, Slovenia is the EU member state with the smallest shares in the population to perceive crime and border security as a threat to national security (European Commission 2011). Compared to other East-Central European countries, trust in the police is relatively high.

Citation:

European Commission, 2011: Special Eurobarometer 371, Internal Security (http://ec.europa.eu/public_opinion/archives/ebs/ebs_371_en.pdf)

Global Inequalities

Global Social Policy
Score: 4

With EU accession in 2004, Slovenia's status changed from donor to recipient of official development assistance. However, Slovenia has not been very active in international efforts to promote equal socioeconomic opportunities in developing countries. The few initiatives that exist are mostly focused on the former Yugoslavia. The prevailing attitude is that Slovenia has its own measure of socioeconomic problems to tackle and that potential Slovenian international influence is negligible. Still, Slovenia's official development assistance comes close to the EU target.

III. Environmental Policies

Environment

Environmental
Policy
Score: 7

Slovenia enjoys extraordinarily rich biodiversity and landscapes due to its location at the junction of several ecological regions. The country's natural endowment has been enhanced by a tradition of close-to-natural forest management and by low-intensity farming. Forests occupy approximately 62% of the total land area, about twice the OECD average. The key mechanism for defining sustainable development goals and targets has been Slovenia's Development Strategy (SDS) for 2005 – 2013. In addition, various ministries

have produced sectoral strategic documents, although mostly without exploiting potential synergies and trade-offs. Over the last decade, Slovenia has established a comprehensive framework of primary environmental legislation. It has transposed most EU environmental directives into the 2004 Environmental Protection Act and other national laws. In the period under review, Slovenia also adopted new or revised environmental quality and emission standards and made good progress in creating a multi-tier system of environmental permit granting. It has introduced risk-based planning of environmental inspections and improved compliance monitoring and enforcement. In parallel with these developments, Slovenia improved the provision of, and access to, environmental information. Environmental NGOs fulfill an important watchdog role, participate actively in environmental policymaking, and play a role in environmental management – e.g., the management of nature reserves. However, as in many countries, the legal basis enabling NGOs to challenge government decisions in the courts could be strengthened. While gross expenditure on R&D for environmental purposes has more than tripled in real terms in the last decade, the country's environmental innovation system has produced relatively little output.

Citation:

OECD, 2012: Environmental Performance Review Slovenia. Paris.
(<http://www.oecd.org/slovenia/slovenia2012.htm>)

Global Environmental Protection

Global
Environmental
Policy
Score: 6

More than for most other countries, geography determines the priorities of Slovenia's international environmental relationships, notably with respect to water management and the conservation of biodiversity. Slovenia's commitment to sustainable development on a regional and subregional scale is articulated through various cooperation agreements covering the Alps, the Danube and its tributaries, and the Mediterranean (including the Adriatic). The Dinaric Arc area is an emerging focus of cooperation. Bilateral cooperation between Slovenia and its neighboring countries includes water management agreements with Croatia, Hungary and Italy, and agreements with Austria on spatial planning in border regions. Slovenia has continued to maintain many informal contacts at a professional/technical level with the countries of the western Balkans. Compared to these regional activities, Slovenia's contribution to the strengthening of global environmental protection regimes has been modest.

Quality of Democracy

Electoral Processes

Candidacy
Procedures
Score: 10

In Slovenia, the legal provisions on the registration of candidates and parties provide for a fair registration procedure for both national (parliamentary, presidential) and local (mayoral, council) elections. Registration requirements are straightforward and not very demanding. To establish a party, only 200 signatures are needed. The registration requirements for national parliamentary elections favor parties represented in Parliament. Unlike non-parliamentary parties or non-party candidates, they are not required to collect voter signatures. Candidates for the presidency must document support from at least three members of parliament or 5,000 voters. At local elections, a candidate for mayor and candidate or list of candidates for a municipal council can be proposed either by political parties or by a specified number of voters, which is dependent on the size of a municipality. Candidate lists for national parliamentary elections must respect a gender quota. On each list of candidates, neither gender should be represented by less than 35% of the total number of candidates on the list.

Media Access
Score: 8

The regulation of the public media and the existing media pluralism in Slovenia ensure that all candidates and parties have access to the media. The public TV and radio stations are obliged to set aside some airtime for the self-presentation of parties and candidates. Moreover, in the 2011 election campaign for the first time even a few of the newly established parties had the chance to participate in pre-election debates in the public media. However, the public and, even more so, the private media tend to make some concessions to the bigger political parties and give them more time and more opportunities to present their views to the public.

Voting and
Registrations Rights
Score: 10

The electoral process is largely inclusive at both national and local levels. All adult citizens, including convicted prisoners, can participate in elections, and no cases of voting irregularities occurred in the period under analysis. Voters that will not be in their place of residence on election day can ask for a special voter's pass that allows voting at any polling station in the country. While there

is no general postal vote, Slovenian citizens who live abroad as well as disabled persons unable to make it to the polling station can exercise their voting rights by mail. One Slovenian peculiarity is the special voting rights for the Hungarian and Italian minorities and the Roma population. Members of the Hungarian and Italian minorities can cast an additional vote for a member of parliament representing each minority in the national Parliament. In the case of local elections, a similar provision exists for the Roma population in all municipalities with a substantial Roma minority.

Party Financing
Score: 5

According to the Act on Political Parties, parties can be financed by membership fees, donations, estate revenues, the profits of their companies' revenues and public subsidies. If a political party wins at least 1% of all votes in the previous parliamentary elections, it is entitled to financial resources from the national budget: 10% of the total budget amount is divided equally between all eligible parties. The remaining 90% is divided among the parties represented in the National Assembly according to their vote share. All political parties must prepare annual reports and submit them to the National Assembly. The reports, which are examined by the Court of Audit, must reveal aggregate revenues and expenditures, report on a party's property and list the origins of all donations that exceed the sum of five average gross salaries in the Republic of Slovenia. There have been many calls to further increase transparency and to strengthen the monitoring and sanctioning of party financing. Special attention has been paid to donations below the threshold and to the scale of loans given to political parties. Most of the parliamentary parties carry significant debt and entered into the December 2011 electoral campaign with limited financial resources.

Popular Decision-Making
Score: 9

Slovenia has a strong tradition of direct democracy. Until a constitutional amendment in May 2013, referenda on all issues could be called by Parliament, the National Council (a body representing major interest groups) as well as by citizens themselves. As a result, many referenda were called, and in a number of cases controversial government initiatives were rejected. In June 2011, for instance, 72% of voters spoke out against an increase in the retirement age from 60 to 65. In March 2012, after some legal haggling, a broad majority of voters rejected an amendment to the Family Code that would have opened the possibility of adoption for same-sex couples. The frequent rejection of major government initiatives raised concerns about political paralysis and sparked a debate about limiting the scope of direct democracy. A May 2013 constitutional amendment, which was adopted by the legislature with an overwhelming majority, kept the relatively low threshold of signatures required for calling a referendum (40,000), but ruled out the calling of referenda by Parliament and by the National Council. Moreover, the set of eligible issues was reduced so as to exclude the public budget, taxes, human rights and

international agreements, the majority requirements for the validity of referenda were tightened and the period for which Parliament is bound to the results of a referendum was reduced.

Access to Information

Media Freedom
Score: 7

Slovenia's constitution and legal system guarantee freedom of the press, and the media for the most part operate without direct political interference. The laws regulating public television and radio broadcasting reflect the strong corporatist element of Slovenian political culture. The Council of Radio-Television of Slovenia (Radiotelevizija Slovenija, RTVS) has 29 members which are appointed by the National Assembly, but proposed by a broad variety of political and social actors. In July 2011, the Parliament rejected a controversial media draft law submitted by the Ministry of Culture, which officially aimed to monitor the media's compliance with professional standards, but was criticized by journalists and press associations for limiting media freedom.

Media Pluralism
Score: 6

In Slovenia there are currently about 1,400 different media outlets and over 83 radio and 37 television broadcasters (both local and cable operators). However, the market share of public media is still substantial, with Radio-Television of Slovenia (Radiotelevizija Slovenija, RTVS) running four out of six national TV channels (Program A, Program Ars, Val 202 and Radio Slovenia International). The strong role of the public media has raised some concerns about media pluralism. In February 2012, the Swedish media group MTG decided to abandon their private television project TV3 which criticized state regulation for protecting the public media and for being hostile to competition. The media market continues to suffer from a lack of transparency and regulation. Neither the government nor the Post Office and the Electronic Communication Agency, which act as regulators, have done much to improve the situation.

Access to
Government
Information
Score: 8

Slovenian law guarantees free and quite easy access to official information. Restrictions are few and reasonable (covering mostly national security and secret data issues), and there are effective mechanisms of appeal and oversight enabling citizens to access information. When access to official information is obstructed or denied, the Information Commissioner, an autonomous body that supervises both the protection of personal data as well as access to public information, can be called upon and intervene. In a number of cases, the Information Commissioner has helped citizens to enforce their right of access.

Civil Rights and Political Liberties

Civil Rights
Score: 7

In Slovenia, civil rights are largely respected. Citizens are effectively protected by courts and by independent institutions like the ombudsman against infringements of their rights. However, some problems exist with regard to the integrity of the judiciary and the duration of court proceedings, which are still unreasonably long, despite efforts by the government to reduce waiting and trial times. The European Court of Human Rights issued numerous verdicts against Slovenia for exceeding the “reasonable time” requirement in 2013. The Court and others have also urged Slovenian authorities to eventually implement all the measures adopted in 2010 to reinstate the legal status of the so-called “erased” – i.e., people from other former Yugoslav republics, who had been living in Slovenia, but did not apply for or were refused Slovenian citizenship when the country became independent in 1991.

Political Liberties
Score: 9

In Slovenia, political liberties are constitutionally protected and guaranteed and are respected by government institutions. The right to assembly and association, for instance, is guaranteed in Article 42 of the Slovenian Constitution and can only be restricted in special cases. The fact that Slovenia has more civil society organizations per capita than most other countries testifies to the protection of the freedom of association. Infringements on political liberties are rare. In the period under analysis, however, the police treatment of protestors during the large demonstrations against the political elites at the end of 2012 and beginning of 2013 raised concerns about the guarantee of the right to assembly.

Non-discrimination
Score: 7

Slovenian law guarantees equal rights to all citizens and protects against discrimination based on prescribed criteria. There are also various forms of positive discrimination, including a gender quota in electoral law and special voting rights for the officially recognized national minorities as well as for the Roma population. Despite the legal framework, foreign workers and women are paid somewhat less for the same work than Slovenian and male workers (Brezigar 2012), and there have been cases of social discrimination towards same-sex couples. Amnesty International (2012) and others have criticized the government for not doing enough to counter discrimination toward the Roma.

Citation:

Amnesty International Report 2012. Slovenia. Available at http://www.amnesty.de/jahresbericht/2012/slowenien?destination=suche%3D%26from_month%3D0%26from_year%3D%26to_month%3D0%26to_year%3D%26search2_x%3D12%26search2_y%3D8%26sort_type%3Ddesc%26page_limit%3D50%26form_id%3Dai_search_form
Brezigar, Sara, 2012: Do third country nationals in Slovenia face prejudice and discrimination? Dve domovini (Two Homelands: migration studies), no. 35, pp. 149-161.

Rule of Law

Legal Certainty
Score: 7

Legal certainty in Slovenia has suffered from contradictory legal provisions and frequent changes in legislation. Many crucial laws are amended on a regular basis, and contradictions in legislation are frequently tested in front of the Constitutional Court. In almost one third of cases, the procedures of rule-making are misused or side-stepped by making heavy use of the fast-track legislation procedure. In the vast majority of cases, however, government and administration act on the basis of and in accordance with the law, thereby ensuring legal certainty.

Judicial Review
Score: 8

While politicians try to influence court decisions and often publicly comment on the performance of particular courts and justices, Slovenian courts act largely independently. Independence is favored by the fact that judges enjoy tenure. However, courts are overrun by the inflow of new cases and suffer from a heavy backlog. In 2011, the Parliament passed various measures to make the work of the courts more effective and to improve the qualification of judges. In 2012, the transfer of the Prosecutor's Office from the Justice Ministry to the Ministry of Interior raised some concerns about the separation of powers. The 2013 austerity measures infringed upon the effectiveness of the judiciary, as they reduced its public funding by 7.5%.

Appointment of
Justices
Score: 7

In Slovenia, both Supreme and Constitutional Court justices are appointed in a cooperative selection process. The Slovenian Constitutional Court is composed of nine justices who are appointed on the proposal of the president of the republic by the Parliament with an absolute majority. The justices are appointed for a term of nine years and choose the president of the Constitutional Court themselves. Supreme Court justices are appointed by Parliament by a relative majority of votes upon a proposal put forward by the Judicial Council, a body of 11 justices or other legal experts partly appointed by Parliament – partly elected by justices themselves. The Ministry of Justice can only propose candidates for the president of the Supreme Court. Candidates for both courts must meet stringent merit criteria and must show a long and successful career in the judiciary to be eligible for the position.

Corruption
Prevention
Score: 5

Corruption is publicly perceived as one of the most important problems in Slovenia. In the period under review, the Court of Audit and the Commission for the Prevention of Corruption (CPC) – newly established after the 2011 parliamentary elections in which the wealth and the assets of major politicians became subject to significant public attention – stepped up their monitoring activities. In August 2011, a report by the Court of Audit led to the resignation

of the minister of the interior. In January 2013, the CPC presented the findings of a year-long investigation revealing that two of the seven main party leaders, including Prime Minister Janez Janša, had systematically violated the law by failing to properly report their assets. While the CPC had no mandate to demand legal actions, the political consequences of the report were severe. As a result of the latter, the ruling coalition fell apart and the leader of the main opposition party stepped down. In August 2012, the CPC also set up a comprehensive online database called Supervizor, which monitors all financial transactions of public bodies and allows the public to search government spending records dating back to 2003.

Governance

I. Executive Capacity

Strategic Capacity

Strategic Planning
Score: 3

The institutional capacity for strategic planning in Slovenia is rather weak. Capacities for planning in the ministries are limited, and there is no central policy-planning unit in the Government Office. The Pahor government showed some interest in strategic planning and set up a number of advisory bodies – e.g., the Strategic Council for Local Self-Government. The Janša government took a more short-term approach. Both governments failed to develop any long-term strategies.

Scholarly Advice
Score: 3

In Slovenia, the Government Office and the ministries have various advisory bodies that include academic experts. The influence of independent academic experts was weaker under the Janša than under the Pahor and Bratušek governments. Prime Minister Janša regarded most scholars and think tanks as allies of the political opposition and thus was not very interested in their advice. Instead, he relied only on the advice of scholars from the private academic institutions created by his previous right-wing government in the 2004 – 2008 term. Some of those scholars were even recruited as state secretaries and high-ranking civil servants.

Interministerial Coordination

GO Expertise
Score: 4

Slovenia has a strong tradition of departmentalism and collegial Cabinets. 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 Ministers Pahor and even more so Janša made little use of the policy expertise available at the Government Office.

GO Gatekeeping
Score: 6

In Slovenia, the Government Office has the formal power to return draft laws on policy reasons or any other grounds. In practice, however, the gatekeeping role of the Government Office is of limited importance since most legislative

	<p>projects are discussed beforehand at the coalition meetings, mostly just between presidents of coalition parties, and then undergo a complex process of interministerial coordination.</p>
Line Ministries Score: 3	<p>The Government Office is not directly and systematically involved in line ministries' preparation of policy proposals. Once the coalition agreement and government program have defined certain projects, the full responsibility for drafting bills rests with the line ministries. The Government Office is seldom briefed about the state of affairs. If it is, consultation is rather formal and focuses mostly on technical and drafting issues.</p>
Cabinet Committees Score: 7	<p>Cabinet committees play an important role in the preparation of Cabinet proposals in Slovenia and settle issues prior to the Cabinet meeting. There are three standing Cabinet committees: the Committee of State Matters and Public Issues, the Committee of National Economy and the Commission of Administrative and Personnel Matters. In addition, there are temporary committees established for particular tasks.</p>
Ministerial Bureaucracy Score: 6	<p>In Slovenia, a substantial amount of interministerial coordination is done by civil servants. Senior civil servants and the members of the Cabinet are always heavily involved in the coordination of legislation. The effectiveness of coordination has suffered from the deteriorating quality and the increasing politicization of the civil service in Slovenia.</p>
Informal Coordination Score: 7	<p>In Slovenia, with its tradition of coalition governments, informal coordination procedures have played a significant role in policy coordination. Both during the Pahor and the Janša government, the leaders of the coalition parties met frequently and took major decisions at the coalition meetings. Press conferences and public statements after these meetings were rare, and only very limited information about the decisions taken was given to the public. The dominant role of the party leaders in their parties also meant that a lot of policy coordination took place in party bodies.</p>

Evidence-based Instruments

RIA Application Score: 5	<p>In Slovenia, RIA guidelines were largely copy-and-pasted from the European Union. The existing guidelines call for a detailed analysis of the need for, and the purpose of, a new regulation. In practice, however, RIA quality is very uneven, and there are no official statistics about implemented RIAs. As fast-track legislation is exempt from RIA, RIA has not been applied to at least a third of all legislation in the period under review.</p>
Quality of RIA Process Score: 2	<p>The RIA process in Slovenia suffers from a number of weaknesses. First, the Court of Audit found that in more than two thirds of all RIA cases, public participation was not adequate and did not meet the legal standards. Second,</p>

the conducted RIAs are only rarely made public. Third, quality control is limited. 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 (OECD 2011).

Citation:

OECD, 2011: Regulatory Management Indicators Slovenia 2011 available at www.oecd.org/gov/regulatory-policy/47827364.pdf

Sustainability
Check
Score: 2

The Slovenian RIA guidelines provide relatively far-reaching sustainability checks. However, the specification of assessment criteria and the set of indicators suffers from some gaps (OECD 2011), and the actual quality of RIA is very uneven. In some cases, there are only vague assessments; in others, comprehensive analytical work is done.

Citation:

OECD, 2011: Regulatory Management Indicators Slovenia 2011 available at www.oecd.org/gov/regulatory-policy/47827364.pdf

Societal Consultation

Negotiating Public
Support
Score: 4

Slovenia has a strong tradition of corporatism and of government consultation with interest groups more general. However, the Janša government broke with this tradition and regarded most interest associations and NGOs as nuisances. Trade unions complained that the Janša government did not take them or debates in the Economic and Social Council – the tripartite body for social and economic dialogue – seriously. However, even the Janša government sought to reach some sort of agreement with the social partners over cornerstones of its legislation such as the Fiscal Balance Act, pension reform and the reform of the labor market. The Bratušek government has resorted to a less selective cooperation with the Economic and Social Council.

Policy Communication

Coherent
Communication
Score: 4

Neither the Pahor nor the Janša government managed to streamline its communication. The Pahor government literally fell apart in 2011 because of the prime minister's inability to bring the different coalition partners in line. Prime Minister Janša benefited from the fact that his party had a majority of ministers in government and tried to impose some discipline on his coalition partners by an authoritative style of leadership and frequent coalition meetings.

While he was more successful than Pahor in this regard, he too eventually failed to achieve a coherent communication with the public.

Implementation

Government
Efficiency
Score: 6

The Pahor and the Janša governments differed with regard to the implementation of their policy objectives. In both cases, the coalition agreements were quite detailed. Whereas the Pahor government largely failed to implement the envisaged measures, the Janša government was more successful. Its coalition agreement largely followed the election manifesto of its largest coalition party, the Slovenian Democratic Party (Slovenska demokratska stranka, SDS), and included well-defined goals, especially in the field of economic and social policy. Compared to the Pahor government, the discrepancy between the declarations and the measures adopted was much smaller. Most notably, the Janša government succeeded in halving the huge budget deficit, in cutting public spending and in getting pension and labor market reform adopted.

Ministerial
Compliance
Score: 6

As heads of coalition governments, Prime Ministers Pahor and Janša primarily relied on detailed coalition agreements and frequent coalition meetings in order to ensure the implementation of the government's program. In the case of the Pahor government, a record-breaking number of 12 ministers resigned or were dismissed in a period of 30 months, partly because of controversies over the course of the government. Prime Minister Janša did not make use of the prime minister's right to dismiss ministers, but was able to capitalize on his dominant position in the Slovenian Democratic Party (Slovenska demokratska stranka, SDS), which provided more than half of the ministers.

Monitoring
Ministries
Score: 5

In Slovenia, the weak capacity of the Government Office and the predominance of coalition governments have limited its role in monitoring the implementation activities of line ministries. The Government Office tends to respect the assignment of ministries in the coalition agreement, and most monitoring takes place in coalition meetings.

Monitoring
Agencies,
Bureaucracies
Score: 4

Favored by the 2002 Civil Service Act, the politicization of executive agencies in Slovenia has increased. Governments have reduced the autonomy of the independent regulatory agencies and filled leading positions in executive agencies with politically compatible personnel. In some cases, political and personal ties have prevented the sanctioning of misconduct and incompetency. A prominent example is the case of Mateja Duhovnik, CEO of the Motorway Company of the Republic of Slovenia (DARS), who was not replaced by the Pahor government in spite of overwhelming accusations of misconduct, corruption and incompetence.

Task Funding
Score: 4

In the wake of the economic crisis, municipal governments – the sole tier of local self-government in Slovenia – have suffered substantial fiscal problems. The funds they received from the national budget were reduced, especially after the adoption of the Fiscal Balance Act by the Janša government. At the same time, they have only limited options to levy their own taxes and duties. As a result, some smaller municipalities have had difficulties preserving even the minimum standards of public services and even more municipalities had trouble financing their investments in municipal infrastructure and public buildings. Municipalities attempted to raise more funding from EU structural funds, but as many were battling with a lack of skilled personnel, success was limited. The problem of limited municipal budgets was highlighted in 2011 when Slovenia's largest city, Maribor, was close to cancelling a prestigious project – the hosting of the 2013 World University Games.

Constitutional
Discretion
Score: 5

The Slovenian Constitution and the Local Government Act give municipalities the competence for all local public affairs and some autonomy in implementing national legislation. In practice, however, financing constraints and a limited capacity in the large number of small municipalities leads to limited local autonomy. Policymakers at national level tend to neglect local interests.

National Standards
Score: 3

In Slovenia, standards of public service are poorly defined, especially with regard to the independent functions of municipal governments. Moreover, the monitoring of standards is often highly fragmented. In the case of health care, for instance, the Public Agency for Drugs and Medical Accessories, the National Institute for Health Protection, the Public Health Inspectorate and the Office for Drugs and Pharmaceutical Control are all involved in supervision. Despite their inclination towards centralization, neither the Pahor nor the Janša government tackled the issues.

Adaptability

Domestic
Adaptability
Score: 5

Upon EU accession, Slovenia developed a complex system of coordination of European affairs with the Ministry of Foreign Affairs as the central coordinator. Both the Pahor and the Janša governments have left this system largely unchanged. The Janša government declared the increased absorption of EU funds to be one of its priorities. It abolished the Government Office of the Republic of Slovenia for Local Self-Government and Regional Policy and transferred the competencies relating to EU Cohesion Policy and regional development to the Ministry of Economic Development and Technology. However, this move was primarily driven by the attempt to reduce the number of government organizations and did not really improve the absorption of EU funds.

International
Coordination
Score: 5

Slovenia has not been very active on the international scene. The Pahor and the Janša governments alike have been preoccupied with domestic political and economic issues and have not paid much attention to improving institutional capacity for shaping and implementing global initiatives. However, Slovenia unsuccessfully ran for membership in the UN Security Council in October 2011 and has sought to shape the European Union's policy towards the western Balkans.

Organizational Reform

Self-monitoring
Score: 4

In Slovenia, there is no regular self-monitoring of institutional arrangements. The monitoring that takes place is ad hoc and limited. The annual reports of state organizations are formal and self-congratulatory. Under the Janša government, the number of audits by private sector organizations declined.

Institutional Reform
Score: 4

Unlike the Pahor government, the Janša government undertook substantial institutional reforms. Most importantly, it reduced the number of Cabinet members from 17 to 13 and abolished the Government Office of the Republic of Slovenia for Local Self-Government and Regional Policy. As these reforms primarily served the political aim of demonstrating the government's commitment to reduce the size of the public sector and were implemented hastily, they did not really improve the government's strategic capacity.

II. Executive Accountability

Citizens' Participatory Competence

Policy Knowledge
Score: 5

Slovenian citizens' knowledge of government policymaking is rather limited. While both print and the electronic media provide adequate information, certain segments of the population lack media literacy, and a majority of citizens is simply not interested in the details of policymaking. The recurring corruption and political scandals have led to the frustration and disenchantment of the major part of the population. According to European Social Survey data, in 2012 no more than 6% of Slovenes trusted national politicians and political parties.

Citation:

European Social Survey 2012. Available at <http://www.europeansocialsurvey.org/>

Legislative Actors' Resources

Parliamentary
Resources
Score: 9

Slovenian members of parliament (MP) command sufficient resources to perform their jobs effectively and to monitor government activity. Each MP has a personal budget for education and literature acquisition as well as access to research and data services provided by the Research and Documentation Section. Parliamentary groups, which require a minimum number of three MPs, are entitled to additional resources in terms of finances and staff.

Obtaining
Documents
Score: 8

In Slovenia, parliamentary committees have the right to ask for almost all government documents, and they can discuss any document in sessions either open or closed to the public. However, governments have sometimes delivered draft bills and other documents at the last minute or with considerable delay, thereby infringing on the work of the committees and obstructing public debate on the proposals.

Summoning
Ministers
Score: 9

The right of parliamentary committees to summon ministers is enshrined in the Rules of Procedure of the National Assembly of Slovenia. Ministers regularly follow invitations; if they are unable to attend in person, they can also authorize state secretaries to represent them. Ministers are also obliged to answer questions from members of parliament, either in oral or written form, and this obligation is largely respected in practice.

Summoning Experts
Score: 8

Parliamentary committees in Slovenia may invite experts or form expert groups in charge of helping to draft legislative proposals. The set up of these expert groups is the standard procedure when constitutional changes are proposed. Under the Janša government, the number of invited experts declined slightly, as the center-right governing coalition was less interested in expert advice and perceived most experts as allies of the opposition.

Task Area
Congruence
Score: 8

The Slovenian parliament has two kinds of working bodies – committees, which normally cover the work of ministries, and commissions, some of them standing, which deal with more specific issues such as the rules of procedure, the supervision of intelligence and security services or the national minorities. In the parliamentary term starting in January 2012, the tasks areas of ministries and committees have largely matched. Only one committee, the Committee on EU Affairs, has lacked a clear ministerial counterpart, and the ministry without portfolio responsible for Slovenes living abroad has been covered by a commission. Only two of about 10 commissions – the Commission for Petitions, Human Rights and Equal Opportunities and the Commission for National Communities – have dealt with several ministries.

Audit Office
Score: 9

According to Article 150 of the Slovenian Constitution, the Court of Audit is the supreme auditing authority in all matters of public spending. The Court of

Ombuds Office
Score: 8

Audit is an independent authority accountable exclusively to Parliament. The Court of Audit scrutinizes the performance of both national and local governments and all legal persons established or owned by them. The chairman and the two vice-chairmen are elected by the Parliament for nine years – with secret ballots – and the office reports regularly and whenever requested to the Parliament. The Court of Audit has far-reaching competencies and enjoys a good reputation. However, its position is somewhat limited by a lack of resources. While it can propose its own budget to the legislature, the ultimate decision on the Court's resources rests with the Parliament.

In addition to the Commission for Petitions, Human Rights and Equal Opportunities of the Parliament, there is an independent ombudsman, who is accountable exclusively to Parliament. The Ombudsman is elected by the Parliament for a term of six years and reports regularly to Parliament. Zdenka Čebašek Travnik, ombudsman between 2007 and 2013, enjoyed a good reputation and was quite effective in settling issues, but decided not to run for re-election for personal reasons. As with previous ombudspersons, Travnik's role was limited occasionally by the lack of interest from Parliament and the inactivity of the responsible ministries. Travnik's successor, Vlasta Nussdorfer, was elected with a broad majority (82 out of 90 votes) in February 2013.

Media

Media Reporting
Score: 6

In Slovenia, the majority of both electronic and printed mass media fail to provide high-quality information on government decisions. However, there is a clear distinction between private and public media here. Whereas the private media, especially private electronic media, tend to focus on non-political information and infotainment, the public media, especially television and radio, put much more emphasis on quality information about government decisions. They even devote some attention to the debates preceding these decisions. This particularly applies when debates are initiated by the government.

Parties and Interest Associations

Intra-party
Democracy
Score: 4

Slovenian party law leaves political parties with some organizational autonomy. Political parties are very heterogeneously organized, with some of them being organized on the micro level – i.e., in each of the 211 municipalities – and others being organized only on the macro level. Access to decision-making processes is normally restricted to party members. Whereas party members have the formal right to participate in decisions, the party

Association
Competence
(Business)
Score: 7

leadership controls the list of candidates and the policy agendas. Internal party decision-making is not very well known to the public, as most decisions are taken behind doors that are firmly shut.

In Slovenia, with its strong corporatist tradition, economic interest associations are very well organized and possess relatively high analytical capacities. Most economic and social policies are discussed in detail in the Economic and Social Council, a tripartite body. Trade union and employers associations do not have their own research institutes, but cooperate with universities and think tanks. The analytical capacity of trade unions has suffered from the fragmentation associated with the co-existence of seven separate union confederations.

Association
Competence
(Others)
Score: 8

Slovenia still has a quite vibrant third sector. The latter was quite active in monitoring the activities of the Pahor and Janša governments and in organizing campaigns and protests against many controversial decisions – especially in the fields of economic, social, family and environmental policy. Most interest associations have considerable policy knowledge; many can rely on think tanks that involve various experts from the universities and research institutes in their work. Policy proposals developed by interest associations, although not numerous, have featured prominently in the media.

This country report is part of the Sustainable Governance Indicators 2014 project.

© 2014 Bertelsmann Stiftung

Contact:

Bertelsmann Stiftung
Carl-Bertelsmann-Straße 256
33311 Gütersloh

Dr. Daniel Schraad-Tischler
daniel.schraad-tischler@bertelsmann-stiftung.de

Najim Azahaf
najim.azahaf@bertelsmann-stiftung.de