

The Rightwing Opposition Forces forecast to win in the Slovenian General Elections on 4th December next.

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ANALYSIS
1 month before
the poll

On 4th December next Slovenia will be holding the first early general elections in its history. This election follows parliament's rejection on 20th September last of the confidence motion presented by Borut Pahor's government (Social Democratic Party, SD). 51 MPs of the Democratic Party (SDS), the People's Party (SLS), the Slovenian National Party (SNS), Zares (Z) and of the Democratic Pensioners' Party (DeSUS) voted against the text, 36 members of the Social Democratic Party and of the Liberal Democratic Party (LDS) as well as three independent MPs voted in support. The Slovenian Parliament was dissolved on 21st October.

Borut Pahor is the third Slovenian head of government to fall after Alojz Peterle (Slovenian Christian-Democrats) in 1992 and Janez Drnovsek (LDS) in 2000. After the announcement of the government's collapse, President of the Republic, Danilo Türk left New York where he was attending the UN's General Assembly to return to Ljubljana. "The vote of defiance has worsened the political crisis," he declared, calling on all political parties to show courage rapidly in order to find solutions to the crisis in the interest of the Slovenian people.

"The vote of defiance is good news because it will lead to a new government that will have wider public support, which is vital if the necessary decisions are to be taken," declared Janez Sustarsic, professor at the Faculty of Management in Koper.

The Slovenian Political System

Slovenia has a bicameral parliament. The Drzavni Zbor (lower chamber, National Assembly) comprises 90 members, all elected for a 4 year period by proportional representation. The Constitution guarantees a seat to each of the Italian and Hungarian minorities. The Drzavni Svet (upper chamber, National Council) is elected for 5 years by indirect suffrage and comprises 40 members: 18 representatives of the professional and socio-economic sectors (4 for the employers, 4 for the employees, 4 for the farmers, SME's and independent workers and 6 for non-profit making organisations) and 22 members representing local interests. The role of the Drzavni Svet is consultative.

Political parties have to win at least 4% of the vote to be represented in the Drzavni Zbor.

At present 7 political parties are represented in the outgoing Drzavni Zbor as follows:

- the Social-Democratic Party (SD), founded in 1993, lies to the left of the political scale and was born of the former Communist Party (PCSQ); it is chaired by Prime Minister, Borut Pahor; it has 29 seats;
- the Democratic Party (SDS), is a liberal party created in 1989 and led by former head of government (2004-2008) Janez Jansa. It is the main opposition party and has 28 MPs;
- Zares (Real, Z), a party founded by former Liberal Democratic MPs on 6th October 2007. It is led by Gregor Golobic and has 9 seats;
- the Democratic Pensioners' Party (DeSUS), created in 1991, chaired since 2005 by Karl Erjavec is a member of the government coalition, with 7 MPs;
- the People's Party (SLS), a liberal party created in 1988, is led by Radovan Zerjav with 5 MPs;

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- the National Party (SNS), a far right movement founded in 1991, is chaired by Zmagelj Jelenc, with 5 MPs.

- the Liberal Democratic Party (LDS), is a member of the outgoing government led by Katarina Kresal since 2008 (she was re-elected on 24th August last). Member of all the government coalitions between 1992 and 2004, except for an interruption of several months between May and November 2000; it has 5 seats;

The President of the Republic is elected by direct universal suffrage every five years in Slovenia. Danilo Türk, with the support of the Social Democrats, won the second round of the last presidential election on 11th November 2007. He won 68.26% of the vote, beating his rival Alojz Peterle, the candidate of the forces in office at the time – who won 31.74% of the vote. Turnout rose to 57.78% (57.6% in the first round on 21st October).

A Latent Political Crisis

Victor in the previous general elections on 21st September 2008, the Social Democratic Party formed a government coalition with three others: Zares, the Liberal Democratic Party and the Democratic Pensioners' Party. In May 2011, the latter, which was against the raising of the legal retirement age, put forward by the Prime Minister, chose to quit office, thereby depriving Borut Pahor's government of its parliamentary majority in the Državni Zbor. The following month Zares also quit government, after the failure of the referendum on 5th June with regard to the raising of the legal age of retirement to 65.

Finally on 10th August the Interior Minister and Liberal Democratic leader, Katarina Kresal was forced to resign after legal proceedings were taken against her for corruption. She is suspected of having accepted the lease of an office for the new National Investigation Office, whilst she personally knew the owner of Ram Invest, the company that was renting out the property. Five Liberal Democratic Party ministers left government just afterwards.

Now comprising a minority in Parliament, Borut Pahor's government is at its lowest ebb in the polls. A poll published in September by the daily Dnevnik

indicated that only 12.7% of the Slovenians believed that the government coalition had led the country properly, with a wide majority thinking (83.9%) that it had failed to do this. Apart from internal political tension within the government and the loss of his parliamentary majority, the Prime Minister was further weakened by his failure in four referenda organised this year.

On 10th April, a majority of Slovenians said "no" to the introduction of a new work contract for the unemployed, students and pensioners that would enable anyone aged 15 and over to work more than 720 hours per year. The holders of this contract would not have been paid as much and would not have had any sick leave, holiday pay or redundancy compensation. Eight Slovenians in ten (80.16%) voted against the referendum. Turnout totalled 34%.

On 5th June nearly three quarters of voters (72.05%) voted against the raising of the age of retirement and of changes to the way pensions are funded. Turnout rose to 40.46%.

An even higher percentage (75.41%) rejected stepping up measures against illegal work (40.43% turned out) and 70.88% refused the change in the law governing the opening of secret service archives approved on 4th February (which would restrict access to documents dating back to the communist era, by giving authority to a special committee to approve consultation of the archives on an individual basis). Turnout totalled 40.41%.

The reform of the retirement scheme had been demanded by the European Commission and the International Monetary Fund (IMF) in order to counter the ageing of the population and to guarantee the stability of public finances. "The implementation of the retirement reform is vital not just to guarantee stability in the future but also now," said Antonio Spilimbergo, the IMF head of mission. The reform had been approved by Parliament in December 2010 before the Democratic Party and the unions had succeeded in collating the necessary number of signatures to achieve a referendum on the issue. "We are still masters of our future. But if we do not support the pension reform then public finance will collapse," declared Borut Pahor. Slovenian Central Bank governor, Marko Kranjec made a rare intervention in the

debate calling on the electorate to vote in support of the reform. "We ask you to think very seriously, not only about the short term effort required by the reform but also about long terms prospects. A "no" to this reform could endanger Slovenia's credit ratings, raise the cost of loans, damage competitiveness and economic growth," he said.

The country's socio-economic situation

Slovenia, which for a long time was top of the class amongst the 12 new EU members, has been the most seriously affected of the 27 by the international financial crisis due to its dependency on foreign capital and exports. "Since the adoption of the single currency no reform which could have boosted the economy or improve public finances has been approved," declared Marko Mrsnik, director of the Finance Department at the ratings agency Standard&Poor's. Whilst its GDP growth totalled 7% in 2007, Ljubljana experienced a recession of 7.8% in 2009. The following year the GDP totalled 1.4%, a figure that is due to remain the same in 2011 (below the 0.77 points forecast by Borut Pahor's government).

Slovenian debt has risen significantly, from 22.5% to 43.3% of the GDP between 2008 and 2010. The government wants to reduce State spending by 365 million € to bring down the public deficit to 5.5% of the GDP. Since 2008 unemployment has more than doubled and is now affecting 12% of the working population, notably young people. More than half of those aged 18 to 24 (55%) live with their parents (the European average is 46%). Inflation has risen to 2% due to low domestic demand. Finally, for the first time ever, the Slovenian average wage has fallen in comparison with the older EU Member States.

On 23rd September last the ratings agency Moody's downgraded Slovenia believing that there was an increased risk of the government having to intervene in the banking sector. On 28th September Fitch did the same, taking Ljubljana's rating down (to AA-) showing that the government had failed to adopt the reforms necessary to stabilise public finance.

In 2010 Borut Pahor's government coalition implemented austerity measures (the freezing of civil servants' salaries and retirement pensions amongst

others). The government wanted to continue reform, notably regarding the consolidation of public finance, the healthcare system and the labour market). It also announced cuts in social aid. Borut Pahor clearly stated that he would not accept the referendum on retirement that took place on 5th June last and that he would find a way to make the savings necessary for the State's survival. He announced that he would save 364 millions € by the end of the year, in the hope that the opposition would support his plan.

The programme put forward by the rightwing opposition

Janez Jansa's Democratic Party is promising to reduce unemployment and bring it back down to its 2008 level, the last year in which the party was in office. To do this it is suggesting the reduction of labour costs to encourage the creation of employment, notably for the eldest and the long-term unemployed and to develop life-long training programmes. Its aim is to achieve an employment rate of 75% by 2020. Janez Jansa also wants to include a clause in the Constitution stipulating that every elderly person has the right to a decent, independent life, and also participation in the country's social and cultural life. He would also like to develop the e-administration project. Ljubljana, which until recently was Europe's second best in terms of the development of new technologies for procedures dealing with daily life (after Estonia, a country that is extremely advanced in this area), has dropped to 9th place in the latest European ranking.

In order to implement his programme Janez Jansa is insisting on the need for his party to win a 2/3 majority in Parliament on 4th December next. "We need a 2/3 majority because reforms cannot be approved without that and we know that some of them are not going to be very popular," he declared at the end of September.

The opposition leader may regret however that the early general elections will be taking place at the same time as the start of the Patria trial in Austria and Slovenia – an affair in which he is under prosecution. Janez Jansa is accused of having received around 900,000€ in bribes in 2006 from Austrian bu-

businessman Walter Wolf, in support of his party as the Defence Ministry was purchasing 135 armoured vehicles to a total of 278 million € from the manufacturer Patria, 73% of which is owned by the Finnish government (EADS holds 27% of it). This transaction, that was made obligatory on Slovenia's entry into NATO in 2004, was the biggest military contract ever signed by Slovenia. Jorma Wiitakorpi, former Director General of Patria is also amongst those being prosecuted. "The trial is taking place to influence the general election results. I have nothing to do with any of this and I can prove it. It's a joke," declared Janez Jansa. "Those conducting the trial are not expecting me to be found guilty but they hope that it will last and that 50 cameras will be pointing at me every Monday," he added.

A Flood of New Parties

MEP Alojz Peterle (New Slovenia Party-People's Christian Party, NSi-KLS) founded Fokus 2031, a Christian Democrat association on 16th September last. The former Prime Minister (1990-1992) and unlucky candidate in the presidential election on 11th November 2007 quit the Christian Democratic Party in 2000 (SKD) – which he had founded in 1990 – after its merger with the People's Party. He then joined New Slovenia-the People's Christian Party. Matevz Tomsic, professor at the School of Social Science of Nova Gorica believes that Mr Peterle wants to use Fokus 2031 to weaken the New Slovenia-People's Christian Party.

On October 1st former ombudsman Matjaz Hanzek and retired journalism teacher, Manca Kosir created the Movement for the Sustainable Development of Slovenia. The two men are placing importance on cooperation, responsibility, environmental values; tolerance, political transparency and also on the defence of the Welfare State, the quality of employment and the reduction of regional inequalities.

Blaz Kavcic, leader of the National Council of the Liberal Democratic Party (of which he tried to become the leader during the congress in May), has also said that he wants to create a new political party. He disagrees with the Liberal Democrats on major issues (globalisation, the role of the elites and sustainable

development). Peter Jamnikar, former Liberal Democratic Party member may join him.

But the most important of the new parties are Positive Slovenia and the Citizens' List-Gregor Virant. Positive Slovenia was founded by the Mayor of Ljubljana, Zoran Jankovic, and has the support of former President of the Republic (1992-2002) Milan Kucan. Former head of the supermarket chain, Mercator, Zoran Jankovic, who is of Serb descent, is one of Slovenia's wealthiest men. Former Democratic Party member he decided to stand as an independent candidate in the local elections in Ljubljana on 22nd October and 12th November 2006 after being "let down" – as he says – by the then Prime Minister Janez Jansa. He won in the capital with 63.03% of the vote, taking 23 of the 45 seats on the town council. Four years later in the local election on 10th and 24th October this year, Zoran Jankovic made a landslide victory in the first round of voting with 64.79% of the vote. With his motto Dela (It works!), the outgoing Mayor campaigned using the results achieved after four years as head of the Slovenian capital which he has managed to transform significantly: modernisation of the transport system, notably thanks to the construction of new bridges over the Ljubljanica (the river which flows through the city), the building of 3,000 new flats and a sports stadium, Stozice.

Gregor Virant, former minister (2004-2008) in the government led by Janez Jansa, founded the Citizens' List-Gregor Virant (centre right) in order to run in the elections on 4th December.

The Democratic Party (SDS) is ahead in all of the polls. According to a Ninmedia poll undertaken at the end of October it is due to win 27.7% of the vote. It would be followed by the Citizens' List-Gregor Virant with 24.9% of the vote and Positive Slovenia with 21.6% of the vote. The Social Democratic Party (SD), which is collapsing, is due to win just 7.3% of the vote behind the Democratic Pensioners' Party (DeSUS) with 7.7%. No other party is due to win over 4% of the vote, a vital minimum to enter Parliament.

Finally, according to a poll published in the *Maldina Weekly*, 26% of Slovenians would like Gregor Virant to become Prime Minister, 21.8% Zoran Jankovic and 21.3% Janez Jansa.

Reminder of the General Election Results on 21st September 2008 in Slovenia

Turnout: 63.10%

Political Parties	No. /votes won	% /votes won	No. / seats
Social Democratic Party (SD)	320 248	30,45	29
Democratic Party(SDS)	307 735	29,26	28
Zares (Z)	98 526	9,37	9
The Democratic Pensioners' Party (DeSUS)	78 353	7,45	7
National Party (SNS)	56 832	5,40	5
People's Party (SLS)	54 809	5,21	5
Democratic Liberal Party (LDS)	54 771	5,21	5
Others	80 642	7,65	0
Italian and Hungarian Communities			2

Source : Slovenian elections internet site des (http://volitve.gov.si/dz2008/en/rezultati/rezultati_slo.html)

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