



Nations in Transit 2005

SLOVENIA*

| NIT Ratings | 1997 | 1998 | 1999 | 2001 | 2002 | 2003 | 2004 | 2005 |
|--|------|------|------|------|------|------|------|------|
| Electoral Process | 2.00 | 2.00 | 2.00 | 1.75 | 1.75 | 1.50 | 1.50 | 1.50 |
| Civil Society | 2.00 | 2.00 | 1.75 | 1.75 | 1.50 | 1.50 | 1.50 | 1.75 |
| Independent Media | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.50 |
| Governance | 2.50 | 2.50 | 2.25 | 2.50 | 2.25 | 2.25 | 2.00 | n/a |
| National Democratic Governance | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 2.00 |
| Local Democratic Governance | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 1.50 |
| Judicial Framework and Independence <i>(formerly Constitutional, Legislative, & Judicial Framework)</i> | 1.75 | 1.50 | 1.50 | 1.50 | 1.75 | 1.75 | 1.75 | 1.50 |
| Corruption | n/a | n/a | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |

EXECUTIVE SUMMARY

Slovenia became independent in June 1991. Together with Croatia, it was the first former Yugoslavian state to be recognized by the international community—the European Community recognized both in January 1992. Since independence, Slovenia has made steady progress toward market liberalization and democratic consolidation. In 2004, Slovenia became a member of the Euro-Atlantic community by joining NATO and the European Union (EU). Slovenia's transition is now part of a much broader debate about the future direction and structure of the EU.

Today, Slovenia's democracy is vibrant, functional, and competitive. Like previous years, 2004 was marked by successes as well as setbacks. In June, voters for the first time elected EU parliamentarians and only four months later ousted the incumbent government in the national parliamentary elections. Both elections were free and fair. The Slovene Syndicate of Journalists called a five-day strike on October 3, requesting the passing of the national collective employment criteria for journalists. In 2004, Slovenia held one controversial referendum, greatly criticized in the foreign press, on the rights of the so-called erased citizens. The "erased" are individuals who remain living in Slovenia without citizenship rights or papers. Thirteen reported corruption scandals erupted in the private sector, most involving the transfer of money into illegal funds or scams. For the most part, legal reforms continue in Slovenia.

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NOTE: Nations in Transit ratings are based on a scale of 1 to 7, with 1 representing the highest level and 7 representing the lowest level of democratic development. The 2005 ratings reflect the period January 1 through December 31, 2004. The ratings reflect the consensus of Freedom House, its academic advisors, and the author of this report. The opinions expressed in this report are those of the author.

National Democratic Governance. Slovene governance is divided into judicial, electoral, and legislative branches. Each is separate and independent, with the legislative exercising oversight over the executive. The judicial branch is fully independent and the final decision maker in this triad. The public has access to the legislative branch at the local and regional levels. Slovenia's military and intelligence agencies are under comprehensive civilian control and function transparently. Access to public information is protected by law and is facilitated by the commissioner for public information. Throughout 2004, the Liberal Democracy of Slovenia (LDS), led by Prime Minister Anton Rop, held a comfortable majority in the Parliament. The opposition in 2004 was led by Janez Jansa's Slovene Democratic Party (SDS) and won the October 2004 parliamentary election, taking over the government. *For these reasons, Slovenia's new national democratic governance rating is set at 2.00.*

Electoral Process. The electoral process in Slovenia is stable, mature, and self-sufficient. The 2004 elections proved that Slovenia is a highly competitive democracy, with a capacity to hold fair and free elections. There was a slight drop in voter turnout in the national election compared with the 2000 election. Only 28 percent of voters participated in the EU parliamentary election. This perhaps raises a question as to the quality and quantity of public participation in the country's political process, but the numbers are in line with EU electoral averages. Slovenia experienced a change in government in 2004, with the LDS losing the national parliamentary election to the SDS. *Slovenia's electoral process rating remains at 1.50.*

Civil Society. Civil society in Slovenia still faces challenges in assuming a fully active role in strengthening democracy and influencing state policies and legislation. The nation still lacks a legal definition for nongovernmental organization (NGO); consequently, the legislation does not specify provisions on the participation of NGOs in preelection campaigning. Political parties have free rein in this matter, and political leaders can effectively use legislation for political campaigning. This happened in the run-up to the 2004 election. Thus, the former president of Slovenia became the president of Forum 21, a society that on paper was established for the promotion of political, social, economic, cultural, and ethical issues but in practice supported campaign bids of the LDS and the United List of Social Democrats. Leaders of the SDS, New Slovenia-Christian People's Party, and Slovene People's Party formed the Committee for the Republic, a civil initiative that served as an election platform for right-wing parties. *Slovenia's civil society rating worsens from 1.50 to 1.75 owing to the invasion of civil space by political parties in 2004. Political leaders assumed civil initiatives and through them promoted political programs. The question of the right to form political/civil associations has become highly politicized.*

Independent Media. While there were no significant changes in print or broadcast media—audiences remained loyal to their preferred choices, for the most part—a significant improvement was made in the area of Internet coverage. New laws and initiatives are increasing public access to the Internet by making it cheaper and more accessible, and this is also increasing public exposure to information. Worth mentioning is the new e-Government portal offering citizens direct communication links to top decision makers. *Slovenia's independent media rating improves from 1.75 to 1.50 owing to significant improvements in 2004 in terms of access to the Internet, while all other areas remained largely unchanged.*

Local Democratic Governance. The implementation of self-government in Slovenia is a complex political, legal, and as of yet unfinished process. But in 2004, democratic principles were recognized publicly and politically, and meaningful participation in local government

decision making was ensured. Representation of the Roma minority and voting rights of resident aliens are integral parts of local governance and an example of local representation where there is none at the state level. The participation and representation of women at the local level were not questioned in 2004, and no civil initiative raised these issues as being problematic. *Slovenia's new local democratic governance rating is set at 1.50 owing to the established organizational structure, which generally provides for free and autonomous exercise of power for local authorities, although municipalities are not yet financially independent.*

Judicial Framework and Independence. Slovenia's Constitution provides for absolute equality before the law. Human rights and fundamental freedoms are exercised directly on the basis of the Constitution. In 2004, problems of intolerance in Slovene society emerged. One was resolved positively. On July 12, Slovenia's Constitutional Court vetoed a proposed referendum to block construction of the country's first mosque. The court found that the Slovene people do not have the right to overturn basic human freedoms, arguing that these override citizens' democratic wishes. *Slovenia's judicial framework and independence rating improves from 1.75 to 1.50 owing to the progress made to protect religious, community, and minority rights.*

Corruption. The Slovene public is highly critical of corruption, which was also a major campaign theme in the 2004 parliamentary election. Many political figures used the corruption of top officials as a way to win votes. New anticorruption measures were introduced in 2004, such as the Administrative Council, which is aimed at helping to ensure a new degree of professionalism in the civil sector. Also, progress was made on the adoption of a national strategy against corruption. The state bureaucracy remains vast and red tape excessive. It takes some 61 days to set up a company in Slovenia; this is above the EU average and far above Serbia's average of only 5 days. *Slovenia's corruption rating remains at 2.00.*

Outlook for 2005. The newly elected center-right government will emphasize tax cuts and foreign direct investment. Prime Minister Janez Jansa made an electoral promise that his government will curtail corruption in the administrative sector; this means the focus in 2005 is likely to be on administrative reform, particularly on increasing transparency in the public sector. The question of the "erased citizens" will probably be an issue at some point in 2005, but no breakthrough decision is expected. The government looks poised to change the rules governing the national broadcast station, RTV Slovenia. Minority issues will not be on the 2005 agenda of political priorities. In the judicial sector, the reform of the land registry will most probably be completed in 2005. The government could decide to scrap the Commission for the Prevention of Corruption in 2005. No electoral reforms are likely, nor is it likely that Slovenia will experience a change in government in 2005. The two quasi civil society groups—Forum 21 and the Committee for the Republic—will remain outside of official politics, but their status will probably remain undefined.

Slovenia's relationship with Croatia is poised to improve under the new government, as sincere and systematic efforts are being made by Prime Minister Jansa and his Croatian counterpart to sign a memorandum aimed at avoiding border incidents such as overstepping territorial waters when fishing.

MAIN REPORT

National Democratic Governance

Slovenia is a parliamentary democracy, with power divided among the legislative, executive, and judiciary branches. As part of the executive, the president of the republic has limited decision-making powers, with the exception of the role of supreme commander in times of war. President Janez Drnovsek was publicly elected and sworn into office on December 22, 2002. The Prime Minister of Slovenia is Janez Jansa, also leader of the Slovene Democratic Party (SDS), which won the October 2004 parliamentary election. Former governing party, the Liberal Democracy of Slovenia (LDS), is in the process of transformation following defeat at polls last October.

The president and Parliament are elected in free and fair elections. The president, elected for a five-year term, is ultimately responsible to the judiciary and the voting public. The government is answerable to the Parliament, which has the power to dissolve the government and is elected every four years.

The Constitutional Court protects the Constitution and decides on the constitutionality of laws. Citizens have access to local and regional party representatives as well as the government through media channels and e-Government, a new Web portal. Citizens participate directly in decision making through referendums. In 2004, a referendum was held on the technical law defining the so-called erased citizens, discussed in the civil society section. Other forms of direct public participation are limited.

The right to access public information is declared in Article 39 of the Constitution of the Republic of Slovenia. The Law on Access to Public Sector Information was one of the first important steps toward creating a regulatory framework for this constitutional freedom, and the commissioner for public information was established in 2003 to facilitate information access by Slovene citizens.

The economy of Slovenia is free of excessive government regulations. As a market economy, it functions according to the principles of free trade, private ownership, and supply and demand, with the value of goods and services determined by the market. Publicly owned equities are freely and openly traded on the Ljubljana Stock Exchange. The government is still partial or majority owner of some companies, mostly in energy, telecommunications, and the steel business.

There is an absolute consensus among political groups and citizens on democracy as the basis of the country's political system. There are some dissenting opinions among those hit hardest by privatization and modernization schemes; however, their impact is negligible. The stability of the government is ensured through peaceful and democratic means and protected by a system of comprehensive checks and balances.

Citizens recognize the legitimacy of the government at all levels. The government exercises full control over Slovene territory and is responsible for enforcing the rule of law. Slovenia has open border issues with Croatia, which frustrates relations between the two countries. For example, the infamous Slovene-Croatian border dispute in the Bay of Piran featured prominently in the 2004 parliamentary election by stirring nationalist and populist sentiments. One of the party candidates, Janez Podobnik, now the new minister of the environment, started a scuffle with the Croatian police on the Slovene-Croatian border. Former prime minister Anton Rop quickly followed with a stunt of his own, jumping on top of a fishing boat—the symbol of the dispute—

and declaring that Slovenia would no longer help Croatia in its bid for accession to the European Union (EU).

The Slovenia-Croatia relationship remains highly sensational and ripe for politicization. Such political opportunism is shortsighted given the actual border problems, but it is also inconsistent with the interests of Slovenia as an EU member and a country concerned with maintaining stability in the wider Balkan region. From the perspective of this particular issue, neither the electorate nor the electoral process matured much in 2004.

Slovenia is modernizing its military according to NATO standards. It faces no territorial threat—that is, on the magnitude of a military invasion—from another nation-state. It has mostly good and cooperative relations with all its neighbors, and with Croatia's anticipated entry into the Euro-Atlantic community, Slovenia will share borders with only NATO and EU members. The principal sources of instability come from so-called asymmetric threats: natural disasters, organized crime, cross-border trafficking, terrorism, and other activities by nonstate actors.

The biggest security threats in 2004 were natural disasters, such as fires and moderate earthquakes. There were a few explicit incidents of hooliganism and a number of trafficking and smuggling cases, underscoring the presence of organized crime. Slovenia is working closely with EU and NATO partners to establish an effective border-monitoring mechanism. However, cross-border cooperation with Croatia is insufficient; even less was accomplished in 2004 in promoting a proactive regional approach to curb organized crime and trafficking in the Balkans. More could be done to protect the homeland against nonstate actors, such as organized crime, that undermine stability by eroding security and democracy.

In 2004, Slovene troops were deployed to Afghanistan to take part in International Security Assistance Force operations. A new contingent of military police was sent to Kosovo in October 2004, making it the second largest deployment of Slovene troops outside of Slovenia. The country also joined the EU Althea deployment in Bosnia-Herzegovina; Slovenian troops in Bosnia constitute the largest deployment outside Slovenia. The 72nd Brigade of the Slovene military is highly specialized, where units are either task or area oriented. The 132nd Mountain Battalion is specialized for high-altitude warfare and battle in mountainous conditions, including special operations; this force was not used in 2004. Slovenia also has a military unit for radiological, chemical, and biological defense; this unit, too, was not used in 2004. Iraq remained a highly divisive issue at both government and academic levels. There was widespread disapproval with the prospect of sending troops to Iraq, and no explicit government efforts were made to advocate involvement.

According to law, the Slovene government cannot adopt policy without consent of the Parliament. However, incumbent governments usually also preside over the majority of the Parliament, which makes it easier to transform the Parliament into a rubber-stamping body. In 2004, the outgoing LDS-led government had a comfortable majority in the Parliament, which made the SDS-led opposition rather weak and ineffective in advancing its agendas. Scenarios where the sitting government also carries a majority in the Parliament are not uncommon in parliamentary democracies, though such an arrangement can undermine the separation of powers.

Citizens and media have access to legislators as well as the government. Government officials grant media interviews and hold press conferences on a regular basis. For example, the minister of foreign affairs of Slovenia offered 32 public statements in December alone. Government Web sites are easily accessible, though perhaps not user-friendly. The public has access to local party offices, but not necessarily a direct link to parliamentarians.

The powers of the ombudsman are extensive. “The ombudsman can inspect all public bodies and can propose disciplinary measures against civil servants,” notes an EU Commission report. At the same time, decisions of the public administration can be challenged in the administrative and general jurisdiction courts. The ombudsman serves a term of six years and is independent and impartial.

The executive branch is better staffed than the legislative, with adequate resources to conduct effective policy. For example, the government allocated special funds for Slovenia’s role as the 2005 chairman in office of the Organization for Security and Cooperation in Europe. Public forums are sometimes organized by the government, where experts and citizens meet with decision makers to discuss policy. The Office of the President of the Republic organized three such forums in 2004, integrating experts and other elements of public participation into the discussion.

The Law on Civil Servants, adopted in 2002 and put in force in June 2003, calls for cuts in the number of government offices and ministerial bodies. The law is aimed at professionalizing public administration by reducing the number of political appointees. A number of decrees implementing the law were adopted in June 2003—one of them creates a uniform system of posts in different government bodies by setting up a 16-level career structure, specifying the titles of civil servants and the work experience required for each. A 12-member Administrative Council established in May 2003 is responsible for overseeing the politically unbiased selection of senior civil servants.

Decisions made by the executive branch generally represent societal preferences. For example, the two main government programs of the last decade, EU and NATO membership, received overwhelming public support in the national referendum held in March 2003. In 2004, the executive branch was particularly sensitive to public opinion on Iraq, which kept Slovenia from participating in military operations in that country.

Slovenia’s military has comprehensive civilian oversight at both vertical and horizontal levels. The military is headed by a civilian defense minister, and military officers are prohibited from participating in party politics. Additionally, the Parliament sets the military and security policy of the country, approves the budget, and assigns ad hoc parliamentary inquiries. The military budget and policy are transparent.

These provisions are stated in the Law on Defense, which outlines the type, organization, and scope of national defense. There are also horizontal controls on the military in place in Slovenia, including mass media, nongovernmental organizations (NGOs), external research institutes, national ombudsmen, and other interest groups. Because all these entities have an interest in a functional military, they tend to participate actively in shaping security and military priorities through public debate. There is also a comprehensive nongovernmental security community in

Slovenia made up of military and security experts who serve as advisers to political parties and help facilitate and strengthen public oversight of the military structure.

The Slovene Intelligence Agency is overseen by the government, the Parliamentary Oversight Commission, the relevant district court, the ombudsman, the court of audits, the Budget Supervision Office, and the public. Apart from external oversight, the agency also has internal regulatory bodies.

Electoral Process

Slovenia is a functioning parliamentary democracy with a highly competitive electoral process based on universal and equal suffrage. The EU parliamentary election, with Slovene candidates competing for seven seats, was held in June 2004, and the Slovene national parliamentary election was held in October 2004. No major irregularities were reported in either election.

The national parliamentary election this year resulted in a major shift from the traditional Left to the center Right. Not only were some 15 parties competing for seats in the Parliament, but it was also the first time since Slovenia's independence that the LDS did not win the highest number of seats. It was a highly competitive election and widely televised. The two main parties—the LDS and the SDS—held campaign events across the country, visiting every major city. At the same time, Slovene democracy was able to withstand a major change in power, and an entirely new team was put into office; with the exception of the Foreign Minister who has served in previous governments. This was achieved in a fully controlled and transparent manner.

The calm transfer of power from the center Left to the center Right may also reflect the fact that the two are relatively aligned on many issues, such as main foreign policy priorities, economic development, law, order, and private property protection. The lack of glaring distinctions in the parties' programs was evident during the campaign, as accusations were often directed at individual candidates, not party programs. For this reason, corruption played a big role in the 2004 elections, with the opposition accusing the incumbents of corrupt practices. Voters overwhelmingly backed the opposition, giving the SDS a decisive victory over the LDS.

The SDS ran a competitive campaign with a clear electoral platform. As the largest opposition party, the SDS was well organized, thanks also to support from its sister parties in the EU Parliament. The SDS had a well-defined targeting strategy, focusing on groups most eager for change (even if some fell outside the traditional SDS core). The campaign message was thus fine-tuned to fit the needs of diverse groups, but generally those dissatisfied with the status quo. Five other parties won seats in the national Parliament. Voter participation was 60.65 percent, which is high by European standards but lower than figures for the 2000 or 1996 election. This may have to do with the fact that the opposition was much more assertive in rallying its voters to turn out at the polls. Second, general public dissatisfaction with the situation in Slovenia probably also contributed to a relatively high voter turnout. However, the EU parliamentary elections held only months before may have caused a certain amount of "election fatigue."

The electoral system in Slovenia is multiparty based. The newly elected Parliament seats seven political parties; its predecessor seated eight. Twenty parties and three independent candidates ran for the Parliament in the 2004 election.

Table 1. 2004 National Parliament Election Results

(Note: The top seven parties entered the national Parliament.)

| List of Candidates | Number of Votes | Percentage |
|--|-----------------|--------------|
| Slovene Democratic Party (SDS) | 281,710 | 29.08 |
| Liberal Democracy Of Slovenia (LDS) | 220,848 | 22.80 |
| United List Of Social Democrats (ZLSD) | 98,527 | 10.17 |
| New Slovenia–Christian People's Party (NSi) | 88,073 | 9.09 |
| Slovene People's Party (SLS) | 66,032 | 6.82 |
| Slovene National Party (SNS) | 60,750 | 6.27 |
| Democratic Party Of Slovene Pensioners (DeSUS) | 39,150 | 4.04 |
| Active Slovenia (AS) | 28,767 | 2.97 |
| Slovenia Is Ours (SjN) | 25,343 | 2.62 |
| Youth Party Of Slovenia (SMS) | 20,174 | 2.08 |
| June List (JL) | 8,733 | 0.90 |
| Green Party Of Slovenia (Zeleni) | 6,703 | 0.69 |
| The List For Enterprising Slovenia | 5,435 | 0.56 |
| Women's Voice Of Slovenia, Association For Primorsko, Union Of Independents Of Slovenia, New Democracy Of Slovenia (GZS) + (UIS) + (NSD) | 5,229 | 0.54 |
| Party Of Ecological Movements (SEG) | 3,991 | 0.41 |
| Democratic Party Of Slovenia (DS) | 2,670 | 0.28 |
| Party Of The Slovene Nation (SSN) | 2,574 | 0.27 |
| The United For An Independent And Just Slovenia | 1,496 | 0.50 |
| Advance, Slovenia | 995 | 0.10 |
| Social And Liberal Party | 713 | 0.07 |
| Marko Brecej | 523 | 0.05 |
| Mihael Svanjak | 191 | 0.02 |
| Independent Candidate Stefan Hudobivnik | 145 | 0.01 |

Source: Slovene National Parliament archives

Voter turnout was lower still in the European parliamentary elections (28.4 percent), which could be an indication of either low public interest in European political debate or the public's general confusion about the institutional and political elements of the EU.

Table 2. Vote Distribution of the 2004 Elections to the EU Parliament

| Party | Percentage |
|---------------|-------------------|
| NSi | 23.57 |
| LDS in DeSUS | 21.91 |
| SDS | 17.65 |
| ZLSD | 14.15 |
| SLS | 8.41 |
| SNS | 5.02 |
| SJN | 4.11 |
| SMS in ZELENI | 2.3 |
| GZS | 1.2 |
| SEG | 0.59 |
| NSD | 0.46 |
| SSN | 0.32 |
| DS | 0.29 |

Source: Government of Slovenia archives

The New Slovenia–Christian People's Party (NSi) did surprisingly well in the EU parliamentary election, winning the same number of seats in the European Parliament as the LDS and the SDS. As the two largest parties at the national level, the LDS and the SDS have significantly higher membership and general appeal than the NSi. The Slovene National Party, which sits in the new national Parliament, has no EU parliamentarian. Only 5 of the 13 parties running in the EU parliamentary election won seats in the EU Parliament. The distribution was as follows: NSi, 2 seats; LDS and Democratic Party of Slovene Pensioners, 2 seats; SDS, 2 seats; and United List of Social Democrats (ZLSD), 1 seat.

Public knowledge of the EU is strikingly low, which makes voters behave somewhat paradoxically. Slovene voters have not adjusted to the new reality of living inside the EU, which is a hybrid structure of national and supranational elements and character. After half a year in the EU, Slovenes do not yet "feel European" which is neither surprising nor different from the attitudes of other new EU member states. Interestingly, the legislation adopted in the Slovene Parliament (outside the requirements under the *acquis communautaire*) is being drafted in Brussels; yet only around 28 percent of voters turned out for the EU parliamentary elections. There is a serious discrepancy evolving between the actual gravity and shift in power and voter preferences and loyalties. Not to mention that Slovenia has only 7 representatives in a 730-seat EU Parliament. This, of course, is an irrelevant figure if voters find as much comfort in a German Liberal Democrat as in a Slovene one. The reality, however, is different. Voter affinities still follow national lines much more so than EU party lines.

Slovenia is divided into 7 electoral districts and 77 subdistricts. All political parties are subject to the same electoral laws. Limited state funding is available to all parties that won at least 1 percent of the vote in the previous national parliamentary election. Retroactive funding is also available, and each party's preelection expenses are reimbursed based on the overlap between the preelection prediction and the actual result. Such funding is problematic in the sense that it encourages conservative electoral estimates. Needless to say, conservative estimates are a poor motivator for undecided voters. Political parties are also funded privately. Complaints have been made about the transparency of private funding, but the only stated limit is that individuals (private or public) may not annually contribute more than 10 times the average monthly salary of

a Slovene worker. Parties get their money from private donations, membership fees, and the government (provided they meet the 1 percent quota). There is a law that prohibits funding from abroad.

Media access is guaranteed to all parties by law. The political platforms of competing parties in the 2004 elections were printed in all major newspapers and were also frequently and adequately discussed on national and local TV and radio stations. Not only were parties given equal access to the media, but some—the daily *DELO*, for example—printed special editions introducing the major parties and their platforms. Public debates on both national and private radio and television stations were conducted in the general spirit of healthy party debate.

The 2004 election year was highly competitive. Campaign messages—such as billboards, TV ads, and radio spots—were visible and abundant, as were public debates broadcast live on local and national TV and radio stations. No irregularities were reported in registering new parties. Three new parties were formed in 2004: Active Slovenia, Slovenia Is Ours, and For Entrepreneurial Slovenia.

On the minority level, the Slovene Constitution guarantees national representation to Hungarian and Italian minorities, reserving one parliamentary seat for each. Only Hungarians and Italians are recognized minorities in Slovenia. It is possible that the Slovene Parliament will soon recognize Serbs, Croats, Bosnians, and Montenegrins as a linguistic minority. Roma are the only exception here, in that they are recognized as a national minority but have not been accorded parliamentary representation. They have representation at the local level.

Civil Society

Civil society in Slovenia played a very important role in the process leading up to independence in the 1980s and during the establishment of democracy at the beginning of the 1990s. Once the democratic political space was formed and political parties were established, many civil society activists transformed into political leaders. Civil society today is struggling with a personnel deficit as well as the need to find a new role in the context of a strengthened democracy.

The 1991 Slovene Constitution defines the rights of assembly and association in its chapter on human rights and fundamental freedoms (Article 42). The rights to freedom of expression of thought, of speech, and of public appearance, to freedom of the press and of other forms of public communication and expression, are guaranteed under the Constitution. Citizens may freely collect, receive, and disseminate information and opinions. It must be noted that there is a constitutional prohibition against any incitement to national, racial, religious, or other discrimination, and it is thus unlawful to assemble or establish an NGO for such purposes.

There is no clear legal definition of "nongovernmental organization" in Slovenia. Slovenia's legal framework allows trade unions, religious groups, and political parties to be included among NGOs. At the end of 2003 and throughout 2004, the Slovene Legal-Information Center for NGOs (LIC) made an effort to define the term *nongovernmental organization* on the basis of the definition offered by the European Commission and to separate it from the term *civil society organization*. The latter encompasses all forms of organization, including trade unions, cooperatives, and others.

Likewise, national legislation does not specify provisions for the participation of NGOs in preelection campaigning. Consequently, political parties have free rein, and political leaders can effectively use civil society frameworks and platforms for political campaigning. This happened in the run-up to the 2004 election. The former president of Slovenia thus became the president of Forum 21, a society that on paper was established for the promotion of political, social, economic, cultural, and ethical issues, but in practice supported campaign bids of the LDS and the ZLSD. Leaders of the SDS, the NSi, and the Slovene People's Party formed the Committee for the Republic, a civil initiative that basically served as an election platform for right-wing parties.

The issue of the so-called erased citizens was the biggest test of government receptivity to civil initiatives in Slovenia in 2004. When Slovenia declared independence, 130,000 non-Slovene residents (from other republics of the former Yugoslavia) were given six months to apply for citizenship. Most completed the necessary paperwork and became Slovene citizens. But at least 18,000 did not register. Many were not well-informed or didn't know about the new legislation. As a result, 18,000 people were erased from registers.

"Erased citizens" are organized in the Association of the Erased Residents of Slovenia. They campaigned actively in 2004 through government and civil society channels to obtain legal status. After examining their plight, in 2003 the Constitutional Court ruled as unconstitutional several articles of the 1999 legislation regulating the legal status of citizens of the former Yugoslavia living in Slovenia.

As a consequence, in 2004 the Slovene government decided to solve the problem of the "erased" with two laws. The first is connected to the operative part of the ruling of the Constitutional Court, which speaks of enforcing the rights of individuals who had already received a permanent residence card on condition that they had actually lived in Slovenia all along. The second law deals with individual standards defining the circumstances of absence that constitute a break in actual living in the Republic of Slovenia. In addition, the second law determines further categories of eligibility for obtaining status that the Constitutional Court ruling does not cover.

The SDS filed an initiative for a prior legislative referendum against the second, so-called systemic law. The Parliament sent it for a ruling to the Constitutional Court because of lack of clarity and thus its possible unconstitutionality. The Constitutional Court ruled on April 20, 2004, that such a referendum would indeed be unconstitutional; therefore, it was not held. Public reaction to the case of the "erased" is split yet is more strongly influenced by nationalist attitudes than empathy with this group's plight.

Though other civil society initiatives were less visible in 2004, the number of NGOs in Slovenia is rising. These cover different fields and activities, including sports, women's rights, social welfare, the environment, culture, fire brigades, and animal protection. Societies predominate; other forms make up only about 3 percent of civil society groups. According to the LIC, in Slovenia today there are some 18,000 societies, 125 foundations, and 250 private institutes. They differ in terms of registration process, membership, governing bodies, internal policy making, and operational structure. Not all are active. In addition, there are approximately 350 religious communities and 120 cooperatives.

The procedure for establishing an NGO is overtly bureaucratic but transparent. For example, the Institute for Strategic Studies, which began operations in 2004, waited almost a month for the court to decide on the name and approve the institute's statute. Three main laws regulate the establishment and operation of NGOs: the Law on Societies, the Law on Institutes, and the Law on Foundations. Although they may earn income, NGOs cannot be founded with the sole intention of turning a profit.

Societies, religious groups, public and private funds, and other organizations and institutes that are established for ecological, humanitarian, benevolent, and other nonprofit purposes do not pay taxes on profit. Revenue from nonprofit activity for which it is not necessary to pay taxes includes donations, membership fees, whatever may be categorized as substantive rights and activities of the organization, gifts, and money received from public services. The law does not contain specific provisions governing foreign donations.

NGOs in Slovenia generate 44 percent of their funds through their own activities; 30 percent comes from donations and from national and local budgets; the remainder comes from other sources. The state contributes the majority of funds through project resources (60 percent), annual subsidies (30 percent), and long-term contracts (10 percent). Organizations with well-defined mission statements and clear goals tend to fund-raise more successfully. Such NGOs also have a better understanding of the importance of transparency and financial accountability. Most NGOs are funded through a single source.

There is no official data on the territorial distribution of NGOs; a good estimate is that there are more NGOs in urban areas, especially in the capital, Ljubljana. Because NGOs focus their work on their immediate surroundings, their outreach to rural areas is limited.

Slovene legislation provides clear guidelines for how NGO's are to be managed. In practice, only 1.7 percent of all societies have more than two employees on staff. The Nonprofit Legal Information Center for Nongovernmental Organizations acts as primary adviser to many NGOs on legal and practical issues, providing information on the benefits of group work planning, good management, and the most successful operational practices.

The Center for Information Service, Cooperation, and Development of NGOs (CNVOS) was established in 2002 as an interface between 27 Slovene NGOs and the government. In 2004, CNVOS activities were devoted to policy formulation and an agreement between the government and NGOs in Slovenia on improving conditions for NGO activities. Additionally, the CNVOS established the so-called Social Network to improve connectivity among NGOs in Slovenia. Important results were also achieved regarding the visibility and standing of the CNVOS within the NGO sector, the media, and certain government institutions. The CNVOS's role in formulating the content of the document "System Development Strategy for NGOs in Slovenia" is especially important. The strategy, when applied, should considerably improve public dialogue on different civil society issues.

Some NGOs are working together by sharing information through networks and project partnerships. Other umbrella organizations facilitated networking and coordinated activities for NGOs in 2004—most notably the Association of Slovene Societies, the Association of Slovene Foundations, the Network of Private Institutes, and youth centers such as

The Institute for Promotion of Youth Mobility, SKUC, and KIBLA (these last two are the names of the organizations).

The government of Slovenia generally recognizes the comparative advantages of NGOs and their ability to develop innovative solutions through a participatory grassroots approach to problem solving. In the 2004 coalition treaty draft, the new government explicitly stated its determination to work with NGOs. Before entering parliamentary procedure, every bill must be consulted by competent NGO representatives. While the most urgent needs of civil society will thus be addressed, it remains somewhat unclear how these consultations are to be enforced and monitored.

The Government Office for European Affairs (SVEZ) has coordinated the government's cooperation with the NGO sector since 2000. The objective is to support capacity building of the NGO sector, strengthen NGO networks, and promote partnerships and dialogue between the NGO sector and the government. Since joining the EU, the SVEZ operates in accordance with EU recommendations on NGO and government cooperation.

The education system in Slovenia is free of propaganda and political influence. A constitutional provision on the division of state and religion is applied in all public schools. In 2004, the government approved the establishment of a third university in Slovenia, in Koper.

Independent Media

The media in Slovenia are free and independent. There were no major setbacks or developments in 2004, with the exception of the general strike by the Slovene Syndicate of Journalists during the national parliamentary election in October. The strikes were held to draw attention to the position of independent journalists and to urge the finalizing of national collective employment criteria for journalists. Freedom of the press is guaranteed by Article 39 of the Constitution, which secures the right to “collect, receive, and circulate information and opinions.”

However, journalists are bracing themselves for trouble once the new Law on Protection of Personal Data comes into effect in January 2005. This legislation prohibits media exposure of the names of individuals other than as shorthand (for instance, B.G. for Borut Grgic) or with prior consent. In the case of individuals under 18, no name can be mentioned.

Most print media—including *DELO*, the nation's main daily—are privately owned. Government ownership is more prominent among broadcast media. Even in this sector, there has been surprisingly little governmental interference. POP TV, TV Paprika, Gajba, and Kanal A are privately owned. RTV Slovenia (the state broadcaster) is the main broadcasting house in Slovenia, with both national and regional coverage. Of the above-mentioned private enterprises, only POP TV is a serious competitor to RTV Slovenia in terms of viewers.

Access to public media is in no way restricted by law; likewise, reporting is generally not subject to interference from oversight bodies or owners. There were no serious infringements of media independence in 2004. In fact, the media were often vocal critics of the government and private interests.

Journalists are protected against excessive penalties such as long prison sentences or exorbitant fines for “irresponsible” journalism, under Article 39 (the Law on Access to Public Information).

The codex for journalists clearly specifies their rights (and consequences if violations occur), while the 1999 amendment to the criminal code protects journalists from prosecution if their reporting helps to uncover irregularities.

However, Slovene journalism suffers from pockets of unprofessional reporting, and in general the media are not very competitive. This is perhaps less the fault of the media than evidence of an immature market. Slovene readers have media loyalties and typically subscribe rather than purchase their daily news at a newsstand. For example, 85 percent of *Dnevnik*'s readers are subscribers. They also show a preference for local newspapers, which distorts the demand at the national level.

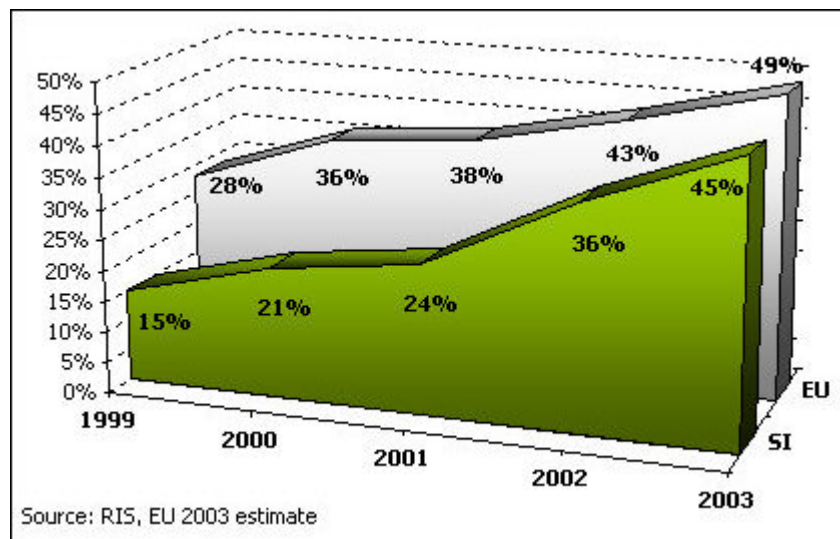
In 2004, *DELO* was still the only serious national paper; *Slovenske Novice* features sensational "yellow" journalism. In September, *Primorske Novice* made the transition from a weekly to a daily paper.

Internet use is increasing in Slovenia, with cable companies and Telekom of Slovenia offering special Internet deals to students and broadband users. According to a statement made in 2004 by the Office of Public Relations and Media, "Internet is becoming a daily routine: 40 percent of the users use it on a daily basis, and a further 40 percent use it weekly. Internet access in households has shown dramatic growth in recent years, tripling from 15 percent in 1999 to 45 percent in 2003."

A major step toward enhancing the flow of information has been liberalization in the information infrastructure. This has led to greater competition, cost reductions, and an increasingly diverse supply of information technology. A new Law on Electronic Communication, adopted in May 2004, is fully harmonized with EU legislation. Its purpose is to establish "effective competition in the electronic communications market, to ensure universal service, and to protect the rights of users." The law governs electronic communications networks used wholly or chiefly to supply the public with electronic communications services.

The Ministry of Information Society is working on a number of initiatives to make the Internet available to the wider public. In cooperation with the Ministry of Culture, a network of multimedia centers and e-library projects was launched in 2004. The Ministry of Information Society has established some projects enabling citizens to use the Internet in public spaces (for instance, a cybercafé network and the highly visible project "e-schools").

Graph 1. Percentage of Slovene Households with Internet Access at Home Compared with That of the European Union



Source: Internet Use in Slovenia (RIS); European Union 2003 estimate for Slovenia

Local Democratic Governance

The principles of local self-government are enshrined in the Constitution of Slovenia and indicate that the country is determined to ensure common European standards and protections for the rights of local authorities as well as the efficient participation of citizens in decision making. In addition to the Constitution, the legal basis for the implementation of local self-government is stated in the 1994 Law on Local Self-Government, accompanied by the Law on Referendums for the Establishment of Municipalities, Law on the Establishment of Municipalities and Municipal Boundaries, Law on Local Elections, and Law on Financing of Municipalities, all enacted prior to 2004.

The only subnational level of government in Slovenia is local governance. According to the Constitution, municipalities may join and form provinces or other larger self-governing communities on the basis of a referendum. There are no examples of this to date. In order to receive EU funds for regional development, the government formulated a regional structure corresponding to a single region. Details for the “Slovenia as one region” scenario will likely be formulated after 2006.

The Law on Local Self-Government was adopted by the National Assembly on December 21, 1993, and has been amended eight times, the last in June 2002. These amendments included new regulations for the salaries of mayors, vice mayors, and city councilmen and a requirement that 20 towns ensure the representation of Roma on their city councils.

Municipal councillors and mayors are elected in free and fair elections every four years. The mayor represents the municipality and heads the local administration. Amendments to the Law on Local Elections were put into force in 2002, allowing nearly 16,000 resident aliens to vote in

towns where they were registered. They are also eligible to run for positions on city councils but are not eligible to run for mayor.

Representation of Roma and voting rights of resident aliens are integral parts of local governance, which ensures meaningful participation in local government decision making. The participation and representation of women at the local level were not questioned in 2004, nor were these issues mentioned as being problematic.

Local government implementation targets were recognized publicly and politically in 2004. These goals included facilitating a better quality of life for people in local communities, encouraging greater local participation in decision making through elections and local meetings, and proportionally developing all communities through the principles of subsidiary and decentralization. Other stated goals included improving the efficiency of local administrations, supporting local self-government—particularly the classic identity of the municipality—as the essential element of parliamentary democracy, and introducing regions. In all of these goals, the overarching aim was to achieve comparability with neighbors and other EU countries.

Nevertheless, the implementation of self-government targets is a complex political and legal process, as evidenced by the frequent amendments already made to local governance legislation. The division of powers between the national level and the local level was outlined in the 1993 Law on Local Self-Government, which reassigned to the national government various responsibilities previously administered by localities. Most important, the 1994 law abolished municipalities as so-called sociopolitical communities—as defined in the 1974 Constitution of Yugoslavia—functioning in the name of a state. Former communities were structured according to size, number of inhabitants, organization, and field of activity, a model hardly comparable to a classic European municipality. To a certain extent, the municipality was a state in and of itself, which meant that municipalities were too large to play their classic role and too small to play the role of first-level state administration or regional community. There were only 64 municipalities (communities) in Slovenia at the time of independence, as opposed to 193 today.

The 1993 Law on Local Self-Government defines only basic rules for municipal efficiency and municipal responsibility. The reforms pursued under the rubric of local self-government have several components:

The *functional* component deals with the redistribution of competencies between the state and municipalities as basic self-governing local communities. The implementation of the principles of subsidiary and decentralization are key elements. Important competencies of a municipality have already been defined by substantive acts that regulate individual spheres of social life, such as urban planning, roads, communal activities, public services, environmental protection, social welfare, culture, and sports.

The *territorial* component calls for the establishment of new municipalities. Until 2002, there were 192 municipalities, including 11 urban ones. One new municipality was registered in 2002, bringing the total to 193. Not all meet the legislative norm of 5,000 inhabitants.

Organization of powers in the municipality consists of several bodies and processes: the directly elected municipal council and the mayor, a supervisory board, and forums for direct participation

of citizens in decision making. This organizational structure generally provides for the free and autonomous exercise of power by local authorities.

The *financial-material* components of local self-government enforce the proportionality of funds regarding the tasks of localities; solidarity with weaker municipalities in the case of development; and the right to own sources of local funding. Financial resources and capacities are generally provided to fulfill the responsibilities of local authorities. The Slovene government provides local communities with various forms of financial aid, such as general or special financial transfers or shared taxes (for instance, personal income tax). In numerous cases, state property was transferred to local communities, and the privatization of property gave local communities the necessary liquidity in many instances. Yet the fiscal independence of local communities is still merely a goal. According to the last report on Slovene local democracy issued by the Council of Europe, only 25 percent of municipalities are actually self-financed. Self-financing depends on the ability of specific municipalities to organize and perform legally defined tasks according to local resources and state financial aid. All the above-mentioned components of local government reform in Slovenia were pertinent in 2004 and will be in the near future as well.

In 2004, local authorities operated transparently and were accountable to citizens according to the Law on Financing of Municipalities. Local authorities were relatively free of domination by power groups. The media were free to investigate and report on local politics in Slovenia.

Judicial Framework and Independence

The Constitution provides protections for fundamental political, civil, and human rights. Human rights are explicitly addressed in Sections II and III of the Constitution and include freedom of expression, conscience, religion, association, business and property rights, and others. Although there is a provision for the suspension of these rights in a state of emergency, certain rights, such as the inviolability of human life, may not be suspended.

A comprehensive, qualitative analysis on respect of human rights in Slovenia has not been undertaken. State and nongovernmental actors generally respect all fundamental political, civil, and human rights, although research by the Budapest-based Open Society in 2000 and 2001 shows some abuses of the right to equal protection (Article 22 of the Constitution) at the level of ordinary courts. Abuses refer mostly to lengthy judicial procedures.

The Constitution mandates an ombudsman for the protection of human rights and fundamental freedoms in matters involving state bodies, local government bodies, and statutory authorities. In 2004, the *Ombudsman's Ninth Annual Report* showed no systematic human rights violations in the country. From January 1 to December 31, 2003, 2,754 cases were opened by the ombudsman. Of those, 30.8 percent referred to courts and police procedures. A considerable number of complaints asserted unlawful or merely improper use of physical force or means of restraint by police. Also commonly cited were excessive police detentions. Nevertheless, complaints on police procedures were 8 percent lower in 2003 than in 2002.

Interpretation and enforcement of the Constitution are the responsibility of district courts, regional courts, and the court of appeals as well as the Constitutional Court. Judges are

nominated by the Judicial Council and elected by the Parliament. They are independent, and their mandates are indefinite, notwithstanding an age limit of 65 for male judges and 62 for female judges. The Judicial Council comprises six sitting judges elected by their peers and five presidential nominees elected by the National Assembly.

For the most part, Slovene judges rule impartially and on the basis of strict interpretation of the law. The judiciary is linked to the Ministry of Justice, but it operates as an independent branch of government and is not linked to any executive body. The main problem facing the judiciary is inefficiency and backlog. There are no criteria for measuring the efficiency of judges' work. In certain cases, there is a lack of professionalism on the part of court employees, and cross-communication in the legal system is poor.

The Constitution provides for absolute equality before the law (Article 14), irrespective of national origin, language, religion, political or other convictions, material standing, birth, education, social status, or any other personal circumstances. Human rights and fundamental freedoms are protected by Article 15 of the Constitution. However, as the *Ombudsman's Ninth Annual Report* shows, intolerance exists in Slovene society, especially in the offices tasked with monitoring such issues.

The two biggest human rights cases this year were those of the "erased citizens" and the Muslim community's right to a religious center in Ljubljana. The latter was resolved on July 12, 2004, when Slovenia's Constitutional Court ruled against holding a proposed referendum to block construction of the country's first mosque. The court found that the Slovene people do not have the right to overturn basic human freedoms, arguing that these freedoms override citizens' democratic wishes.

Slovenia's criminal code entered into force in 1995 and was amended in 1997 along with the Law on Criminal Procedure. New forms of crime were addressed, and the interpretations were aligned with EU standards. Namely, these pertain to money laundering, corruption, and computer hacking. No major cases involving computer hacking or money laundering were addressed by courts in Slovenia in 2004. Amendments to the Law on Penal Procedures relating to the use of special investigative methods were put into force in 1999.

The Constitution prohibits the abuse and humiliation of prisoners. No systematic abuses were reported in 2004. The 2003 ombudsman's report, however, does raise the issue of significant overcrowding in prisons and detention facilities.

Individuals brought into custody on criminal charges must be advised of these charges in writing in their own language within 24 hours. Detention may last up to six months before charges are brought. Courts authorize searches and issue warrants. The increase in complaints of police improprieties in 2004 could potentially trigger an erosion of public trust in police protection.

Corruption

With the exception of a handful of new initiatives and a series of alleged corruption cases (the most notable involving a housing construction scam known as Zbiljski Gaj), Slovenia experienced no major backslide into corruption in 2004. While members of the opposition sent a

letter to the Parliament president listing 13 alleged corruption cases in May 2004, Slovenia also managed to pass new anticorruption legislation during the year.

The government considered several proposals for revising anticorruption initiatives, among them one for a revision of the Commission for the Prevention of Corruption. This commission is responsible for monitoring the assets of the approximately 6,500 functionaries (including prosecutors) at the state and local levels. The commission operates under the Law on the Prevention of Corruption, which obliges Slovene functionaries to report their personal monetary and material assets. The law also prescribes punitive measures for irregularities.

The commission has been tasked with three problem areas. First, it ensures that functionaries do not hold public office while simultaneously running private businesses or taking direct part in the economy. This helps to resolve cases where there is an outstanding conflict of interest. The Law on Access to Public Sector Information passed in 2003 will provide additional help to disclose conflicts of interest on the part of officials.

Second, the commission will develop guidelines for integrity plans as prescribed by the Law on the Prevention of Corruption. These plans will include data regarding the potential for corruption in the institutions where they will be adopted, the risks associated with corruption, and methods and ways for reducing such risks.

Third, the commission is pushing for the adoption of a new anticorruption strategy; thus the Resolution on the Prevention on Corruption in the Republic of Slovenia was passed in the summer of 2004. In addition to other elements, the resolution includes 172 measures to be performed over the coming years to eliminate the conditions for the appearance and spread of corruption in Slovenia. These measures are prescribed for the areas of politics; state administration; investigative, prosecuting, and judicial bodies; business; NGOs; the media; and the general public.

Some progress has also been made in the way the government advertises jobs and contracts. The Law on Civil Servants aims at creating a professional, impartial, and accountable civil service. It creates a more transparent and harmonized system of recruitment and career structures and introduces promotions based on performance appraisals.

A 12-member Administrative Council was established in May 2004 to oversee the politically unbiased selection of senior civil servants. This council is expected to ensure professionalism and efficiency and to make the civil service less dependent on political trends. The Law on Civil Servants also introduces disciplinary procedures and specifies that dismissals must follow strict legal procedures.

Corruption allegations and cases are exposed regularly by the media, while the public has low tolerance for official corruption. The anticorruption election platform of the opposition SDS also targeted the public's dissatisfaction with what it perceives as an increasingly corrupt government.