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Slovakia's Return to the 'Black Hole'

The country deserves better than Mr. Fico's government.

By MARIAN L. TUPY

The road from communist dictatorship to market democracy for former Eastern Bloc countries has been a rocky one. This is particularly true for Slovakia, which goes to the polls Saturday. The four years since the last election have been greatly disappointing.

In the 1990s Slovakia had central Europe's worst-performing economy and least democratic government. Madeleine Albright, then the U.S. secretary of state, referred to it as "a black hole in the heart of Europe." But in 1998 the country embarked on a reformist course that saw the introduction of a flat tax, liberalization of the labor market, deregulation of business, and partial privatization of social security. By 2006 the economy was growing at 8.9% per year and unemployment had fallen to 10.4%, from 18.3% in 2001. The Tatra Tiger, as Slovakia came to be briefly known, was praised by U.S. President George W. Bush as an example for other countries to follow.

In 2006, however, the liberal-conservative coalition, led by Mikulas Dzurinda, lost power to a socialist-nationalist coalition consisting of Prime Minister Robert Fico's Social Democrats and the Slovak National Party and the Movement for Democratic Slovakia.

The Nationalists are led by a convicted criminal, Jan Slota, who built his political career on foul-mouthed rudeness, xenophobic attacks against Czechs, Gypsies and Hungarians, misogynist slurs and homophobic insults. The Movement for Democratic Slovakia is led by former Prime Minister Vladimir Meciar, whose autocratic rule, economic mismanagement and corruption brought Slovakia to international isolation and the brink of bankruptcy in the 1990s.

Over the last four years, Slovakia's economic indicators have nosedived. In 2005, Slovakia was the world's "leading reformer" in the World Bank's "Doing Business" report, ranking 18th out of the 137 countries surveyed. By 2010, it had fallen to 42nd place. The economy contracted 4.9% in 2009 and the budget deficit rose to 6.8% of GDP. National debt will rise to a projected 39.4% of GDP in 2010 from 30.5% in 2006. No doubt the global recession played its role but so did the partial re-regulation of the labor market and massive increase in welfare spending.

Under Mr. Fico's premiership, public civility and the rule of law took a beating. Mr. Slota, for example, threatened to "spit" on the participants of Slovakia's first gay pride march last month. He did not attend, but a group of neo-Nazis did turn up, overwhelmed the police and broke up the proceedings by throwing stones and injuring a number of people. Responding to criticism of the police's lack of preparedness, Interior Minister Robert Kalinak, also deputy leader of the Social Democrats, quipped that the organizers should have hired a private security agency.

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Mr. Fico's appointment of Mr. Meciar's right-hand man, Stefan Harabin, as justice minister raised eyebrows as well. A few years ago, Mr. Harabin, then a Supreme Court judge, was taped having a phone conversation with a convicted criminal, Baki Sadiki, who is the alleged head of the Albanian drug mafia in Slovakia. When questioned about the conversation, Mt. Harabin threatened a member of the opposition with jail and hurled anti-Semitic abuse at him.

Media investigations into suspicious government procurement deals and the corrupt sale of industrial-emission quotas forced the resignation of a number of ministers. Prime Minister Fico's response was to restrict media freedom, prompting Slovakia's fall in the Freedom House's Freedom of the Press index.

Mr. Fico tried to distance himself from Messrs. Meciar and Slota, and blames most of the corruption scandals on his coalition partners. In reality, he legitimized theft and boorish behavior by inviting the two into his government.

Recently, Mr. Fico's former associate and co-founder of the Social Democrats, Bohumil Hanzel, said he has written proof of corrupt dealings between the prime minister and a consortium of private businessmen who offered campaign funding in exchange for billions in government procurement deals. Whether these new allegations have undermined Mr. Fico's public support remains to be seen. What is certain, however, is that the current government does not deserve to be re-elected. Slovaks deserve better.

Mr. Tupy is a policy analyst at the Center for Global Liberty and Prosperity.

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