

# Slovakia - Parliamentary Election Analysis

## ***SMER-SD Wins General Elections with 34.79 Pct.***

The party of Robert Fico, SMER-SD, won Saturday's parliamentary elections with 34.79 percent of valid votes, the Central Election Commission confirmed the final official results at a news conference on Sunday afternoon.

The SDKU-DS (Election leader Ms. Radicova and Party Chairman Dzurinda) scored second and collected 15.42 percent and the SaS (liberal party) came in third with 12.14 percent. KDH won 8.52 percent and 8.12 percent of voters supported MOST-HID. SNS, too, made it into the parliament with 5.07 percent.

According to these results, SMER-SD will have 62 mandates in the Slovak Parliament, SDKU-DS 28, SaS 22, KDH 15, MOST-HID 14 and SNS 9. The election turnout reached 58.83 percent, when 2,566,779 of the 4,362,369 eligible voters cast their ballot. The Commission reported 2,529,385 valid votes.

Based on these official final results of parliamentary elections in Slovakia, the incumbent ruling coalition leader the party SMER-SD would not be able to form a coalition government with its current partners, as together with the SNS it would only have 71 deputies in the 150-member Slovak Parliament, and the LS-HZDS failed to make it to parliament. Current opposition parties the SDKU-DS and the KDH with the newcomer the SaS and MOST-HID have a majority of 79 mandates.

## ***President will Ask SMER-SD to Try and Form a Government***

SMER-SD leader Robert Fico is the first whom President Ivan Gasparovic will ask to try and form a new government. The president decided to turn to Robert Fico first though four center-right parties, which will have a majority in the new Slovak Parliament already made it clear that they do not want to speak about a coalition with SMER-SD. "I want to charge the election winner with forming a new government because I believe that it is moral. The political party which earned the biggest trust of citizens deserves to get this chance," said the head of state at a news conference. When asked whether it makes sense to commission Mr. Fico when rightist parties claim that there is nothing to discuss with Mr. Fico, the president answered that it is their problem. He will meet with Mr. Fico on Monday at the latest; however, he did not specify what deadline he will set for the current prime minister for setting up a new government. "We will agree on that," he said.

As far as the election result is concerned, which secured a parliamentary majority to a group of four right-of-center parties, the president pointed out that he is so far the only "opposition" president, as he was head of state also during Mikulas Dzurinda's reign before 2006. "I believe that in many things we were co-deciding to the benefit of citizens," he stated. He remained in the presidential chair also under the government Robert Fico while the program of his SMER-SD is very close to him. The president wants to continue fulfilling his credo "I feel socially, I think nationally." He added that he will unambiguously cooperate with each political party which will join the program. He plans to pursue continuity and cooperation to the benefit of Slovakia and not to his own benefit or benefit of a political party.

The head of state does not consider the 58-percent turnout achieved in the Saturday election a great success. The fact that over 40 percent of citizens did not cast their ballots is a signal that a change is necessary in the future.

The president said that he honors the ethnic Hungarian citizens of Slovakia for not having yielded to pressures which are between Bratislava and Budapest, where there exist efforts to evoke disputes which nobody wants. He said that ethnic Hungarian citizens have realized this situation and cast ballots for another political party not that orthodox one, which literally tried to incite those problems.

#### OFFICIAL REACTIONS:

##### ***SDKU Sees no Point in Dialogue with SMER-SD***

SDKU-DS, SaS, KDH and MOST-HID, which will control 79 seats in the new 150-seat Slovak Parliament elected on Saturday, publicly rejected cooperation with the election winner SMER-SD. Ms. Radicova (SDKU) said to the four-year rule of Robert Fico's government that a dialogue with SMER could hardly be commenced because of the prime minister's harsh criticism, blaming the previous government (before 2006) for everything.

Ms. Radicova refused to elaborate on the option of her being the first female prime minister in Slovakia ever. Mr. Sulik (SaS), too, did not want to say whether he would become the next finance minister. The parties agree that a meeting of the potential future coalition will set the priorities for the period after the elections. The goals always result from agreements, according to Ms. Radicova, particularly also agreements attained within the SDKU but such talks have not yet taken place as there was no time for them.

Prime Minister Robert Fico predicts that the future coalition of rightist parties will hold on for just a year. Mr. Sulik denied that such a coalition, labeled by Mr. Fico as "some conglomerate", would be unstable. "It is the variety that won the support of voters and it is our turn now to make a fair agreement," he noted, adding that SaS gives priority to the economic part of the program.

SDKU-DS election leader Iveta Radicova said on TV Markiza that in these elections the era of Vladimir Meciar has definitively ended. Citizens made it clear as well that they do not wish a policy of tensions and therefore not the SMK but MOST-HID made it to parliament of the less radical of two parties representing the Hungarian minority. The elections showed that at a time of crisis, citizens are considering what needs to be done for society and they feel that starting up the country as a major problem. She does not want to make premature statements regarding nominations for the prime minister post, however, in line with party rules she will lead the team, which will negotiate forming a new government.

SaS Chairman Richard Sulik said that the SDKU-DS as the strongest of the quartet has the right to the prime ministerial post. He sees a great potential in the economic field and believes that the current opposition will definitively find a consensus.

MOST-HID leader Bela Bugár said that he would not object if Iveta Radicova becomes prime minister. "It is our utmost duty to achieve an agreement," he stated.

KDH leader Jan Figel underscored that decency and responsibility is the basis for a free and stable society and its government. "And just this is at stake, this character of change and not figures and arithmetic," he said adding that they want to agree on it.

SNS Deputy Chairman Rudolf Pucik came to the TV studio instead of Chairman Jan Slota. He said that their election outcome was a great and painful disappointment for them. We will analyze it and definitively draw lessons from this failure, he added. 2,021 votes were decisive for SNS entry into parliament, which only gained 5.07 percent of votes according to unofficial results.

### ***SMER-SD Leader Briefs on Election Outcome and his Plans***

Prime Minister Robert Fico and SMER-SD leader Robert Fico perceives the outcome of Saturday's parliamentary elections for his party SMER-SD as a satisfaction about which the others cannot even dream of. However, this will probably be not enough for the party to form a government. "You may now think that we are crying and trembling with fear that we will lose our government BMW limousines and similar perks, but that is not true," he told SITA news agency. The six-percent increase in collected votes compared with 2006 is a success, the prime minister pointed out. "Whatever may happen from now onwards, I am an absolutely content and even-minded man because I tell myself that we have probably really done something, since we have such a huge support of the public in Slovakia," opines the prime minister.

### ***EPP Congratulates Center-Right Parties on Election Result***

Chairman of the European People's Party (EPP) Wilfried Martens congratulated Slovakia's center-right parties on the outcome they achieved in the parliamentary elections on Saturday, which enable them to form a new government under the leadership of the SDKU-DS election leader, Iveta Radicova. He stated that election results greatly pleased him because Slovak voters gave trust to the European People's Party and similarly thinking parties while they turned their backs to the socialist and populist prime minister Robert Fico and his xenophobic allies. "I am looking forward to cooperation with the new government under the leadership of EPP, the prime minister of which will soon join us at the summit of EPP presidents and heads of government, stated Mr. Martens. Both the SDKU-DS and the KDH are members of the EPP.

The European People's Party is the biggest and most influential centrist-right party at European level representing the biggest faction in the European Parliament. Currently it associated 73 political parties in 39 countries.

### ***Fiscal Consolidation will be Top Task for New Government***

The consolidation of the general government finances will be one of the most important issues the new government will have to focus on. If right-wing parties manage to form a government, consolidation could be realized to a greater extent by spending cut, assumes Slovenska sporitelna analyst Michal Musak. ING Bank's Eduard Hagara pointed out that political parties did not rush to present concrete measures to reduce the deficit of the general government finances before the elections. "Notwithstanding, it can be expected that the potential center-right government will favor measures to reduce spending," he told SITA.

Moreover, if parties in the new government pursue reforms to bolster the business environment and help support economic growth in this way, the risks of tax hikes in the future would shrink. Mr. Musak does not expect financial markets to react in some specific way to the election outcome from in the short-term horizon. From the long-term outlook, market development will depend on concrete

steps the new government adopts. The ability of parties in the government to agree will be important, according to the analyst.

The deficit of the general government finances reached 6.8 percent of GDP last year, according to preliminary data, a figure significantly worse than the initial projections. The incumbent government counts on financial consolidation that is expected to reduce the deficit to 5.5 percent of GDP in 2010. However, some analysts warn that Slovakia could post a much higher deficit this year, as well. A June survey by the Club of Economic Analysts shows that unless far-reaching measures are implemented, the deficit could climb to 7.4 percent of GDP in 2010.

### ***HZDS Claims Right-wing Coalition won't be Good for Slovakia***

The replacement of Vladimir Meciar at the helm of the People's Party- Movement for Democratic Slovakia (LS-HZDS) is not a question for the media, announced party deputy chair Jozef Habanik. Vladimir Meciar served as Slovakia's prime minister three times and enjoys great respect among the party members, added Mr. Habanik. The senior party members and the republican board representatives will soon meet to evaluate the outcome of the parliamentary elections soberly. Mr. Habanik said that the party would continue in its activities, since it has representatives in regional and municipal parliaments. The party now plans to focus on and prepare itself for the municipal elections due in the autumn.

Mr. Habanik is of the opinion that a right-wing coalition will not be a good solution for Slovakia. He emphasized that even though the LS-HZDS will not be represented in the Slovak Parliament, the party has not lost the elections. "Life is about cycles. Once you are up and then you are down," he commented.

The party of Vladimir Meciar failed to collect the necessary five percent of votes in Saturday's elections and thus, it will not have its representatives in the Slovak Parliament for the first time since it was established.