



Weekly Briefing

Slovenia political briefing:
Expectations on the developments in Slovenian Politics in 2020
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Summary

After the resignation of Prime Minister Marjan Šarec in January and the subsequent fall of the 13th Government of the Republic of Slovenia, there are a number of uncertainties and open questions about the future developments in Slovenian politics. However, the fall of the government itself is in many ways also a symptom of those developments and an indicator how the situation after the resignation may turn out.

Background: the developments during the mandate of Šarec's government

Marjan Šarec became the Prime Minister being only the second candidate for this position. The first attempt to compose a government was made by the relative winner of the 2018 elections, the president of the Slovenian Democratic Party, Janez Janša. Although Slovenian Democratic Party won almost a quarter of votes (at a relatively low turnout of just over 50%), its president failed to convince enough partners to join the coalition. An additional factor in this process was a very explicit position of several central parties (most notably Slovenian Pensioners' Party, DeSUS, Modern Centre Party and Marjan Šarec List) that they would not join a potential Janša government due to some extreme right positions of his party. The second chance was then given to the Marjan Šarec List, which came second with just over 12 % of votes. Despite the initial wide scope of negotiations, for Šarec it also proved difficult to find partners to secure a majority government coalition and eventually a minority government was formed out of five political parties: Marjan Šarec List (LMŠ), Social Democrats (SD) of Dejan Židan, Modern Centre Party (SMC) of Miro Cerar, Slovenian Pensioners' Party (DeSUS) of Karl Erjavec and Alenka Bratušek Party (SAB). A working agreement was made with a political party outside the government, The Left (Levica) of Luka Mesec. The five political parties ranged from left to centre on the political spectrum and differed on many key points, while the consensus was even more difficult to achieve with The Left, the left-most political party in the parliament.

Despite the ambitious program, being a minority government, the coalition found it difficult to pass any substantial reforms due to the lack of parliamentary consensus. Nevertheless, they managed to put forward several important achievements. The first were the successful negotiations with the public sector trade unions, which were an open issue since the

previous Cerar government, when a wave of strikes was one of the issues that brought the Prime Minister to resign. After a long negotiating process, agreements were signed with trade unions either separately for each trade union or with a coordination of those. The agreements solved several open issues and imbalances which were a result of austerity measures in the previous decade and ensured accordance with the collective agreements. Several measures were taken to improve the most pressing issues of the health system, although the promised health system reform was not achieved. The agreements with trade unions contributed to another important achievement, namely, the balancing of public finances. The government performed tax optimisation and tax relief for holiday pay. More resources in the 2020 and 2021 budgets were allocated to social transfers and minimum wage was raised to improve the living standard of the lowest-income segment of the population. An additional measure which was long overdue and aimed at a similar goal was the rebalancing of pensions.

The government also faced a number of difficulties. A series of ministers and high government officials resigned, many of them due to corruption scandals and this caused serious disagreements within the coalition. The last resignations – of Minister of Defence Karl Erjavec and Minister of Finances Andrej Bertonec –, just shortly preceded the resignation of Prime Minister himself. The biggest obstacle for the success of the government, however, were the conflicts among political parties of the coalition and between the coalition and its partner party outside the government, The Left.

Aftermath and potential political developments in 2020

As of late January, the outcome of the current political situation is still unclear. Two possibilities are most probable. The first one, that was most probably counted on by Prime Minister Šarec when he decided to resign, is to call pre-term parliamentary elections. Fuelled by many measures that improved the livelihood of a large percentage of the population, the support was stable throughout the government term. Even when Šarec decided to resign, the support for his party was still high, regardless of the several difficulties the government coalition was facing at the time. It is speculated that Šarec relies on this high support for the possible new elections. The other possibility is for the parliamentary parties to try and form a new coalition that would pass the parliament vote. In this case the President Borut Pahor has to present a new candidate for the Prime Minister who then has to pass the parliament vote and compose a government, where the new ministers also go through the parliamentary procedure. The most likely candidate for the new Prime Minister is Janez Janša, the president of the Slovenian Democratic Party. The coalition he will most probably try to negotiate would include parties from the existing coalition, according to the current prediction these could be Modern

Centre Party and, possibly, DeSUS. After the last parliamentary elections, both parties were decidedly against joining a Janša-led coalition, but in the case of both parties, the changed relations within the party might stimulate the decision. In late September 2019 at their annual congress the Modern Centre Party changed leadership, replacing its founding member Miro Cerar (initially the name of the party was Miro Cerar Party) by the current Minister of Economic Development, Zdravko Počivalšek. With a background in tourism industry Počivalšek is considered to be an advocate of the interests of business sphere and also generally closer to the right-wing parties. A change occurred in the DeSUS party as well, where the long-term president Karl Erjavec was replaced in January congress. The political profile of the new president, current Minister of Agriculture Aleksandra Pivec, is less expressed and some speculate that under her leadership a coalition with Janša might be possible. The biggest argument against this happening is the potential result this might have on the voters' support in the next elections. The voters' base of the two parties was formed among other things also relying on their strong position against the far-right and nationalist views of the Slovenian Democratic Party – a coalition might shift the allegiance of this support base to other parties on the centre-left. In case Janša tries to put together a coalition it is unclear what the position will be of the far-right Slovene National Party, due to the ambiguous relationship between the long term president of this party, Zmago Jelinčič, and Janez Janša. The Alenka Bratušek Party is more declarative about not joining the potential coalition, which would mean that the likely opposition would in this case be formed by them and two left wing parties, the Social Democrats and The Left. A competition which exist in the past years between Alenka Bratušek Party and DeSUS might then potentially become stronger, especially on the topic they both rely on for voters' support: the status and benefits of the pensioners in Slovenian society. This topic was a field of competition even during the time the two parties were in the Šarec government but could strengthen in the framework of government-opposition relations.

As already mentioned, several shifts are happening within the political parties, which will continue to develop, most probably regardless of the outcome of the government situation. With Modern Centre Party shifting further towards the liberal economic policies of the right-centre and political de-profiling of the DeSUS with the new leadership, changes are also occurring within the Marjan Šarec Party. Commentators speculate that it is the crisis within this party that were the main reason for the resignation of the Prime Minister. The dispute over the financing clause in the proposal for the abolishment of supplementary health insurance showed a split between the Minister of Finance Andrej Bertonec with his team and Marjan Šarec, reflecting the inner disagreements over political orientations in this otherwise very vaguely politically profiled “new faces’ party”, established only before the 2018 elections.

Conclusions

The main decisive factor in the political developments in the 2020 in Slovenia will be the outcome of the current situation after the resignation of the Prime Minister Marjan Šarec. If he continues to keep public support, potential early elections could give Marjan Šarec an opportunity to put together a stronger coalition. If the other scenario happens and Janez Janša manages to get a second chance of composing a coalition without election, this might mean a reversal of many policies of the current government and a radical recombination of the political relations between and within political parties. This change might be especially large in the centre parties and it might also mean many shifts in their voting bases, resulting in a very different political map before the next elections in 2022.