



New Pact for Europe National Report SLOVAKIA

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NEW PACT FOR EUROPE – Rebuilding trust through dialogue

Project description

Launched in 2013 by the King Baudouin Foundation and the Bertelsmann Stiftung, and supported by a large transnational consortium including the Open Society Initiative for Europe (OSIFE), the Calouste Gulbenkian Foundation, the European Policy Centre (EPC), the BMW Foundation Herbert Quandt, and the Open Estonia Foundation, the New Pact for Europe (NPE) project aims to promote a European wide debate and develop proposals on how to reform the European Union in light of the manifold challenges Europe is currently facing.

After a first successful period in 2013-2015, which included more than 80 events in 17 EU countries and the publication of two major reports, which elaborated five strategic options on the future of the EU, the NPE project entered a new phase in 2016-2017. The ultimate aim of this new phase of the NPE project is to work out the details of a wider 'package deal' to equip the EU with the tools it needs to meet the internal and external challenges it faces. This proposal will contain solutions generated by connecting the discussions on the key policy challenges, and propose changes in the way the EU and its policies are defined to avoid future fundamental crises.

Building on the analysis and proposals elaborated in the previous phase, the NPE has in this period explored how the EU can better serve the interests of its member states and citizens, through a series of 30 national and transnational debates on key policy challenges (including the migration/refugee crisis, internal and external security, as well as economic and social challenges).

National Reflection Groups have been created and met specifically for this purpose in ten EU countries (Belgium, Estonia, Finland, France, Germany, Greece, Italy, Poland, Portugal and Slovakia), followed by transnational exchanges between these groups. This national report is the result of the work and discussions of one of these National Reflection Groups.

The discussions within and between representatives of the ten National Reflection Groups will be discussed by a European Reflection Group of eminent persons, which includes all the national rapporteurs. It will be tasked to produce a final NPE report taking into account the national and transnational debates, scheduled to be published at the end of 2017.

The project also benefits from the overall guidance of an Advisory Group of high-ranking policy-makers, academics, NGO representatives and other stakeholders from all over Europe. It is chaired by Herman Van Rompuy, President Emeritus of the European Council and former Prime Minister of Belgium.

For more information on the NPE project, please see the project website: www.newpactforeurope.eu

















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The views expressed in this report reflect the result of the work and discussions of this National Reflection Group, enriched by exchanges with two other National Reflection Groups, but they do not necessarily represent the views of each member of the group or the institutions they are affiliated with.



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LIST OF ABBREVIATIONS

EEAS European External Action Service

EU European Union

EMU Economic and Monetary Union

EPPO European public prosecutor office

EUGS EU Global Strategy

NATO North Atlantic Treaty Organization

NPE New Pact for Europe

NRG National Reflection Group

NS2 Nord Stream 2

OECD Organisation for Economic Cooperation and Development

PESCO Permanent Structured Cooperation

V4 Visegrád Group



FOREWORD

This report is inspired by the discussions of the Slovak National Reflection Group enriched by exchanges with National Reflection Groups from Germany and Belgium. It reflects on the 'state of the Union' from a national perspective and discusses the main challenges the EU and its members are facing, taking into account both the European and national perspective. Finally, it proposes ideas and recommendations how the EU and its members should react to these main challenges and lays down how the EU and European integration should develop in the years to come.

This paper is part of a series of ten national reports. These reports and the debates in the Member States will provide a solid basis for the discussions in the NPE European Reflection Group. The latter will be asked to bring the reflection a step further through in-depth and thorough discussions at the European level. The Advisory Group chaired by Herman Van Rompuy will provide input to this process. All these reflections will lead to a final NPE report analysing the current 'state of the Union' and making proposals on how to re-energise the European project in the years to come. It will be published at the end of 2017.



EXECUTIVE SUMMARY

Discussions about the future of the European Union (EU) formally started with the meeting of EU27 leaders in Bratislava on 15 September 2016. The Slovak National Reflection Group (NRG) itself debated where Slovakia stands in Europe and how Slovakia sees economic and Eurozone governance. It also addressed Slovakia's position on security and migration issues.

The Slovak NRG argues that Slovakia should stay in the 'EU core' when the EU moves ahead and foresees differential integration. This position is rather an exception in Central Europe, where other governments have recently been loudly re-claiming sovereignty of nation-states within the EU and presented different perspectives on their future. 'Enhanced cooperation' projects are generally seen as an opportunity for Slovakia, not as a threat. However, such projects must not be carried out at the expense of other EU members that are not participating, and must be open to those willing to join later.

Slovakia's approach to the Visegrád Group (V4) is tactical and selective: using this regional format to strengthen its position on selected issues, while keeping its distance when the agenda is driven by Poland and Hungary (e.g. neither of them supported EPPO).

Until recently, discussions about the EU have been mostly confined to the small circle of Slovak political and business elites. In the public sphere, the EU was often discussed as a source of cohesion funds for public investment, and used as a 'scapegoat' if something went wrong at the national level. However, as the future of the EU became a 'hot topic' following the British decision to leave the EU, the idea of a policy contribution is becoming more prominent.

The management of the Greek debt crisis has shaped the Slovak discourse in favour of fiscal responsibility, strict adherence to common rules, and dislike of debt mutualisation. The transnational debates in the framework of the NPE process illustrated that such an emphasis makes Slovaks generally more supportive of German leadership and less suspicious of Germany's dominating influence, as expressed by some members of the Belgian NRG.

Within the Slovak NRG, there was a broad consensus that deeper integration of the Eurozone is inevitable, and that the vital interest of Slovakia is to stay on board. The NRG also debated the ability of some weaker Southern European economies to return to competitiveness and their prospects in a currency union with Germany. It was even suggested that an orderly exit mechanism from the monetary union would have to be designed in future.

The focus on social protections and demands for higher social standards at the EU level are mixed with a growing threat of indirect Western European protectionism. The Slovak government should continue defending a fair and equal social treatment of its citizens. The key will be to avoid implicit discrimination of workers who pay all contributions to social welfare systems in their home countries.

From a Slovak perspective, improving Europe's security requires more effective engagement in its neighbourhood, better management of external borders and a strengthening of EU cooperation in internal security matters. When it comes to external threats, transnational debates showed that Slovak participants were more focused on the potential Russian threat than on that of radical Islam. There are internal divisions within the Slovak political elite about the adequate approach towards Russia, a world leading energy supplier. Energy security is a high priority for Slovakia, whereas there are serious concerns over Nord Stream 2 (NS2) – a gas pipeline bypassing Slovakia.

Slovak experts would like to see a pragmatic and constructive focus on increasing those EU military capabilities that can be deployed by the member states under the command of NATO. As both organisations have 22 member states in common, these developments should be done on the bases of complementarity with NATO to avoid duplication.



In the field of migration, the Slovak NRG debates focused on the needed shift from crisis management to crisis prevention. The second approach demands better external border controls, agreements with third countries such as Turkey, and a reform of the EU's asylum system. In addition, there is a need to shift the public debate both in Slovakia and the rest of the EU from illegal to legal migration.

The system of mandatory quotas has been perceived as a flawed process in the way it was both adopted and implemented. The imposition of top-down solutions with respect to a highly sensitive issue that concerns national politics and identities was a move hard to accept politically in Slovakia. In the eyes of the Slovak population, the decision to adopt the system by a qualified majority vote instead of consensus further undermined its credibility. The so-called 'effective solidarity' concept introduced in November 2016 during the Slovak Council Presidency was seen as a more reasonable attempt to find common ground among different camps within the EU27. Countries should be able to contribute with a combination of different means to solve the migration crisis – including financial contributions to EU schemes and programmes aimed at the eradication of root causes of migration, sending officers to Frontex and providing transfer assistance.

Can and should the apparent lack of interest of asylum seekers in the country be blamed on the Slovak government? Slovakia is indeed not an attractive destination country for asylum seekers. But the reasons behind this fact are complex. Public support to migrants both in financial and non-cash terms in Slovakia is considerably lower than in Northern countries. Slovakia has not developed expat networks that can serve to facilitate the cultural integration of newcomers and provide them with employment options. The complicated legal system in Slovakia creates an additional burden. In the eyes of the Slovak government, due to its different historical and societal heritage, Slovakia is not positioned to permanently host large numbers of refugees, particularly those who come from different societies and cultures (read Muslims and people from Africa).

It was underlined that during the migration and refugee crisis, Slovakia went through two different phases: a populist and xenophobic campaign during the parliamentary elections in March 2016, and a more restrained approach by the new coalition government, which also included a small migration-friendly liberal party as a junior member. In addition, due to the country's EU Council Presidency, the government had to adopt a more moderate stance, which also dampened the rhetoric of the Prime Minister.

It is also vital to highlight that anti-migration sentiments in Slovakia are actually more nuanced that they appear abroad. The year 2015 witnessed a mobilization of civil society and a surge of activism and volunteering among various segments of the population.



INTRODUCTION

The national and transnational discussions of the New Pact for Europe' (NPE) took place in Slovakia at a turbulent time. The initial meeting of the Slovak National Reflection Group (NRG) was held on 30 June 2016, just a few days after the United Kingdom voted to leave the European Union (EU). On the following day, Slovakia was holding the Presidency of the Council of the EU for the first time. It was a special responsibility and also a great challenge. For the next six months, with the support of the EU institutions, the Slovak Presidency has dealt with several parallel crises and has managed to navigate uncharted diplomatic waters after the British referendum. EU partners acknowledged the solid performance of Slovak diplomats and government officials, which has also helped to promote and advance the EU agenda at home. This fresh experience has also spurred a new national discourse about the future of the EU.

In Spring 2017, the Slovak debate on Europe entered a new phase marked by a more upbeat tone and more intensive exchanges of views in the media involving a younger generation of analysts and columnists. Eurosceptic voices and anti-EU groups, including opposition leaders and alternative media, reacted with more polemics. This backlash prompted the government and Prime Minister Robert Fico to engage in more political communication and to make more robust pro-EU statements than before. In the wake of successive electoral defeats by anti-EU populist forces in Austria, the Netherlands and later in France, a growing sense of optimism about the future of Europe became apparent in Slovakia. At its March 2017 meeting, the members of our NRG underscored this trend ahead of the EU's 60th anniversary summit in Rome. The concerns and ideas of the Slovak NRG were presented during a June 2017 debate hosted by a leading newspaper and broadcasted online, and later at the October 2017 GLOBSEC Tatra Summit conference.

On 23 October 2017, the three top constitutional officials of the Slovak Republic – President Andrej Kiska, Prime Minister Robert Fico and Speaker of the Parliament Andrej Danko – symbolically signed a joint statement on the country's vital interests commanded to pursue a path of deeper EU integration. With each leader coming from a different political background and grouping in the Slovak political landscape, the statement underscored an emerging consensus that the country should stay in the 'EU core' as differential integration emerged.

¹ The final meeting of the Slovak NRG on 8 March 2017 benefited from kick-off remarks by State Secretary of the Slovak Ministry of Foreign and European Affairs Ivan Korčok. He also served as government plenipotentiary for the Slovak EU Presidency in the second half of 2016.

² The event was widely promoted and livestreamed on Facebook: https://www.facebook.com/projektn.sk/videos/1536304233125797/.



PART 1: STATE OF THE UNION

When the NRG debates started, many Slovak members expressed a rather critical view of the EU. The latter was seen as becoming paralysed under the burden of constant crisis management and an accumulated 'poly-crisis'. As some members of the group stressed repeatedly, EU institutions did not quite raise up to the challenge. Until 2016, EU Summits had a tendency to produce more disagreement than agreement. Most often, hard and extensive bargaining made the media headlines and overshadowed the joint decisions that had been reached. As the debates moved on, the tone became less critical, especially after the peak of the migration crisis in late 2015 and following the Brexit vote in the UK, which underlined the need for unity among the remaining EU27.

The majority of participants believe that the current populist backlash against the EU is a symptom of a broader crisis in Europe. It has both socio-cultural and socio-economic roots. In part, it is a reaction against rapid modernisation and cultural change, especially as globalisation fostered rapid changes in lifestyle and technology that have undermined established social and cultural identities. Social and economic expectations were also shaken by stagnating economies in the aftermath of the global financial crisis of 2009-2012. In parallel, a growing confusion about the future of Europe has transpired among Western European political elites. In the new EU member states in Central Europe, these elites had been an important reference point during the transition from communism and the accession to the EU and NATO. Once they had lost their political high ground, new protest parties and extremists were quick to fill the resulting vacuum. The EU was increasingly viewed as a project for political elites and technocrats had become a collateral damage. Faced with a 'performance legitimacy' issue, the EU institutions were under pressure to deliver on people's concerns, especially in the domain of security, economic growth and convergence (supporting continuous catching-up process by new members).

SLOVAK VIEWS ON EU INTEGRATION

The NRG agreed that the debate on Europe in Slovakia had also become much more polarised despite the overall public support for the EU project. Opinion polls show that 54% of Slovak citizens believe that the EU membership is beneficial to them and 79% believe that it is beneficial to their country.³

In 2004, when Slovakia became a member of the EU, the main political parties saw this integration as an important condition for the country's modernisation and economic convergence with Western Europe. Today, this understanding is no longer as straightforward. When scholars look deeper and examine people's attitudes towards and perceptions about the EU, they reveal a lot of ambivalence. A recent study, based on a series of focus groups, warned that negative perceptions and Eurosceptic viewpoints are gaining ground in Slovakia. ⁴ This had a paradoxical side-effect: if the **domestic debate about Europe** has become **more vibrant**, it is also **much more defensive**.

The Slovak NRG discussed the concept of a multispeed Europe based on enhanced cooperation and differentiated integration. The idea is not new. If there is currently no realistic chance to engage in a reform of EU treaties and some member states that are willing to cooperate more deeply in some policy areas, they should be allowed to move forward. The NRG generally saw enhanced cooperation as an opportunity for Slovakia, not as a threat. However, it must not be carried out at the expense of non-participating EU members, and must remain open to allow them to join later. Such

³ European Commission, Standard Eurobarometer 86, November 2016. Available Online:

http://ec.europa.eu/COMMFrontOffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/STANDARD/surveyKy/2137.

⁴ Baboš, Pavol; Villági Aneta: "Komunikácia tém medzinárodnej politiky a bezpečnosti v SR", [Study on public attitudes on international affairs and security issues in Slovakia]. Department of Political Science, Comenius University in Bratislava, 2016.



was the case, for example, of the setup of the European Public Prosecutor Office (EPPO), for the prosecution of crimes against the EU budget and on cross-border fraud. Slovakia supported this project alongside 20 other member states.

The NRG members emphasised two related issues. First, they **refuse** to accept a small **core or exclusive club of EU members**. Slovakia will not 'voluntarily' leave enhanced cooperation projects that it has joined and has been implementing for years. Regarding Schengen, Slovakia intends to pursue its active participation and refuses prospects for deeper coordination among a restricted grouping of members (e.g. Dutch idea for mini-Schengen). This would foster fragmentation and create new divisions among member states. Similarly, the Slovak government favours deeper integration in policy areas on the basis of their merits and their added value. This is the case, for example, of security and defence, Schengen, or monetary affairs for Euro-area countries.

Second, it remains in Slovakia's interest to coordinate more closely on some issues with its neighbours in the Visegrád Group. Even if Poland and Hungary are more sceptical towards deeper integration as such, in the end they are likely to take part. At the same time, Slovakia shares their demand for smaller intervention by the EU Commission in policy areas where regulation is more appropriate at national level (e.g. taxes). More generally, as described by some NRG members, Slovakia's approach to the V4 is tactical and selective: using this regional format to strengthen its position on selected issues while keeping its distance when the agenda is driven by Poland and Hungary (e.g. neither of them supported EPPO).

Rather than pointing to a 'Slovak exception' in the region, the NRG debates underscored a 'Slovak paradox': while there is a high level of enthusiasm for European integration among the population, there is a 'passive consumerism' of the EU project at a political level. This has been illustrated in 2014 when Slovakia had the lowest turnout across the EU in the European Parliament elections (13,05%).⁵

Until recently, the debate about Europe integration was mostly confined to the small circles of Slovakia's political, bureaucratic and economic elites. In the public sphere, the EU was merely referred to as a source of cohesion funds for public investment or as a 'scapegoat' if something went wrong at national level. Slovak politicians often framed the EU as an opportunity to benefit from, rather than a project to contribute to. Participants saw a link with the lack of transparency and corruption related to the EU cohesion funds, which are decided by a 're-distributional coalition' tied to political parties without much public deliberation about the country's strategic priorities. More recently, as the prospects of the European project have become less obvious, the idea of contributing to its safeguard has become more prominent.

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⁵ European Parliament, Election Results 2014. Available online: http://www.europarl.europa.eu/elections2014-results/en/election-results-2014.html.



PART 2: THREE KEY POLICY CHALLENGES

Slovakia might have been perceived as a 'latecomer' in preparing for the EU accession only in the 1990s, but it caught up with the rest of the 2004 accession countries. The process was marked by a rapid adaptation to EU conditions, a modernisation programme and deep structural reforms at national level. Among the chief objectives for Slovakia was to achieve higher living standards and anchor itself to Western Europe by building up multiple economic, political, and security ties with other member states. There was also the welcomed opportunity to gain an external system of checks and balances, with the hope to improve the country's democratic processes and public administration.

ECONOMY/EUROZONE: STABILITY AND GROWTH

The Slovak NRG expressed a cautious optimism regarding the economic convergence within the EU. This reflects perhaps Slovakia's experience of a relatively successful convergence process and a much less painful experience than Southern Europe of the recent global financial crisis.

Slovakia is one of the most open, export-oriented economies in the EU. Since joining the EU in 2004, the country has experienced one of the fastest economic growths in the block, at an average rate of 3.8 % per year. Due to significant structural reforms and austerity programs enacted in the early 2000s, Bratislava was able to adopt the euro currency before the global financial crisis. The backbone of Slovakia's economy is its industry. Today, many of its production facilities are integrated in a production chain that spreads across several Central European countries and Germany. The future of the Eurozone and the single market are, thus, two vital issues for the country.

The Slovak narrative on the Eurozone is the result of a painful experience following its adoption of the single currency in 2009: the government had to unexpectedly deal with solutions to the Greek debt crisis. The financial package of both debt guarantees and financial contributions to the collective Stability Fund were hotly debated in the Parliament. Solidarity with the so-called "programme countries" was framed as a breach of Slovakia's national sovereignty and a direct intrusion into the wallet of the Slovak taxpayer, who had to subsidise the fiscal leniency of some other Eurozone members with higher living standards and wages than in Slovakia. The 2011 vote over the expansion of the EMU bailout fund and its competences eventually led to snap parliamentary elections after the fall of the coalition government.

This experience shaped the Slovak discourse in favour of fiscal responsibility, strict adherence to common rules and dislike of debt mutualisation. The transnational debates in the framework of the NPE illustrated that such emphasis makes Slovaks generally supportive of the German leadership and in favour of strong European regulations on fiscal discipline. At the same time, the Slovak NRG was less suspicious of Germany's dominating influence in the European Council compared to members of the Belgian NRG, for example.

Within the Slovak NRG, there was a general concern that the common currency in its current 'institutional setup' is not strong enough to survive another global economic and financial crisis. A few of the weaknesses and flaws in the EMU system have been addressed or contained since the 2010-2012 period. Nevertheless, these short-term fixes are not sufficient to weather a major storm that could hit again anytime. Deeper reforms are required.

⁶ European Commission. Economic Forecast for Slovakia. Available online: https://ec.europa.eu/info/business-economy-euro/economic-performance-and-forecasts/economic-performance-country/slovakia/economic-forecast-slovakia_en.



A general prerequisite for such reforms is a **new consensus between Northern and Southern Europe**, which can only be built around a 'grand compromise' between Germany and France. It will require much political will and courage in Berlin and in Paris. Despite the 2017 elections, the French and German positions on major institutional issues remain far apart. At the same time, however, Germany is expected not to overlook the interests of small member states but rather take them into consideration when negotiating with French President Emmanuel Macron.

Surprisingly, there is a broad consensus that deeper integration of the Eurozone is inevitable, and that it is vital for Slovakia to stay on board. Some members expressed scepticism towards a 'grand bargain' and 'how it could work', given the prevailing political, economic and social divergences among Eurozone economies. The Slovak NRG also debated the prospects of some weaker Southern European members in a currency union with Germany and their ability to return to competitiveness. It was even suggested that an orderly exit mechanism from the monetary union would have to be designed in future. It will be critical for Slovakia to adopt a clear political communication strategy if arguing for an exit Eurozone mechanism, especially given the risks associated with sharing liabilities with heavily indebted members.

Another major theme of discussion among NRG members was the need for a better **enforcement mechanism for Eurozone fiscal rules**. The Stability and Growth Pact has become too complex and heavy. The enforcement mechanism is not effective because it is open to political interference. Too many country-specific exceptions muddle the picture. Peer pressure by fiscally responsible members and supervision by the European Commission have produced only limited results in restoring budgetary discipline across Eurozone members. The constant push by indebted members for more flexibility has undermined the credibility of the whole single currency project. There was a consensus in the NRG that even if fiscal rules are not perfect, they have to be respected and enforced. There is less clarity on how a new enforcement mechanism should work. A suggestion could be to create a stronger more centralised supervision authority in the form of an EU Finance Minister to be merged with the chair of the European Stability Mechanism. The chairman of the Eurogroup, however, should be kept as a separate position to ensure checks and balances.

After Brexit, the EMU is starting to be seen as the only significant platform at European level for economic policymaking and fiscal coordination. Decisions taken in the Eurogroup will increasingly define the logic of economic governance for the whole EU, including single market issues. This will have significant political consequences for non-Eurozone countries. Non-members will be 'losing influence'. So how can Slovakia help them to deal with this changing context? First, if the V4 format were to raise the profile of its expert dialogue on EU economic governance issues, it could serve as a back channel from the Eurogroup to Poland, Hungary and the Czech Republic. So far, there is not sufficient political dialogue among the V4 Finance Ministers. Second, if Poland, Hungary and the Czech Republic joins the EU's Exchange Rate Mechanism (ERM II) — a sort of waiting room for the monetary union — the 'loss of influence' for non-Euro area members would be less obvious.

The debate about the pressing need to reform the Eurozone has shifted the focus away from the Single market. There is a genuine concern that the discourse is no longer framed in terms of **fostering growth and job creation**. As the low-hanging fruits have already been harvested, the remaining convergence agenda is politically more sensitive as it touches upon specific domestic regulations in the member states (e.g. taxation). National structural reforms could help Slovakia to benefit from the untapped yet growing economic potential in the areas of digital and energy services. Investment in skills and education could also further improve the competitiveness in and of Europe.

At the same time, a new focus on social protection and higher social standards has been gaining ground at the EU level. For some participants, it illustrates a growing threat of indirect Western European protectionism. The EU27 have already experienced tough discussions about stricter rules on posted workers. The Slovak government will have to continue defending fair and equal treatment of its citizens as other social legislative changes could arise (e.g. transport sector).



In general, the transnational debates between the Slovak NRG and their German and Belgian counterparts showed that there are not only different views on social affairs across member states but also within the Slovak NRG. At the national level, the existing divisions reflect the diverging political standpoints and preferences.

SECURITY: OVERCOMING THE STATUS QUO

The European discourse on security and defence has fundamentally changed throughout the duration of the NPE project. Russian engagement in Ukraine and other countries, terrorist attacks by Islamic radicals in Europe, Brexit and the election in the United States of a new President with a weak commitment to transatlantic bonds have heightened a sense of urgency to boost Europe's capacity to become a major security player of its own. As the US and the UK are becoming more inward-looking countries, the EU will have to figure out how to diminish its overwhelming dependence on American and British military capabilities.

The EU Global Strategy (EUGS) adopted in 2016 put forward a double imperative to focus on the European neighbourhoods and, at the same time, to strengthen the role of Europe on the global stage. More than a decade ago, when Slovakia joined the EU, the belief was widespread that the EU could export its 'stability through interdependence' model to surrounding regions. Today, it seems to be the other way around: the EU's conflict-prone neighbourhoods export instability to Europe and use the EU's interconnectedness and interdependence at the expense of its member states.

From a Slovak perspective, improving the security of Europe requires more effective engagement in the EU's neighbourhood, better management of external borders and stronger cooperation on internal security matters. When it comes to external threats, NPE transnational debates showed that Slovak participants were more focused on the threat from Russia than on radical Islam. Slovakia thus appears to be more concerned about energy security and Russia's blackmail potential than its German and Belgian counterparts.

There is broad support to boost the role of the EU in the **fight against terrorism**. Even though no terrorist attacks have taken place in Central Europe, so far, the perpetrators in many cases have passed through the countries of the region or bought their small weapons and explosives. There is a great need to improve **exchange of information among national law enforcement agencies at the EU level and change the 'culture of non-cooperation'**.

The protection of Europe's external borders should be reinforced. The newly established European Border and Coast Guard Agency should be a stepping-stone towards a truly **common European border guard agency**. Some experts viewed the EU as part of the problem – as a magnifier of insecurity through its open internal and porous external borders – rather than as part of the solution. One of the divisive issues within the NRG was the implementation of reinforced external border protection: should the EU adopt a 'hard' or 'soft' approach towards asylum-seekers and migrants?

NATO is still seen in Slovakia as the main provider of hard security and there is less enthusiasm to develop a European leadership in the field of defence. Slovak experts prefer a pragmatic and constructive focus on **increasing those EU military capabilities that can be deployed** by member states **under NATO's** command. As both organisations share 22 member countries, these developments should be done on the bases of complementarity with NATO to avoid duplication.

Setting up a 'European pillar' within NATO could be accompanied by intensified cooperation within the EU framework. In that regard, Slovakia fully supports the plans outlined in the EU-NATO Joint Declaration of July 2016 and endorsed by the Council in December 2016. They entail 40 concrete proposals on how to strengthen EU-NATO cooperation in information-sharing, interoperability, defence capabilities, defence research and industry, strategic communications and capacity-building. The key principles are that the member states each have a 'single set of forces' which they can use nationally or in multilateral frameworks, and that the two organisations – with appropriate tools – can help them make efficient use of them for greater security in Europe.



When it comes to a **Permanent Structured Cooperation (PESCO)** in military matters, as foreseen in the Lisbon Treaty, Slovakia believes that the guiding principles should be inclusiveness and openness. Although Slovakia's capacity and willingness to contribute to the defence of the EU are currently limited, there is a reluctance to allow a 'small core group' of EU counties to move ahead singlehandedly. This would run the risk of creating further fragmentation and new divisions at the heart of the European project. Although specific proposals for the European Defence Fund were not available at the time of the NRG debates, participants acknowledged that such a fund could provide a valuable opportunity to reduce Slovakia's prolonged dependence on Russian military equipment. ⁷

Two factors can explain the **hesitant approach to defence commitments** by the Slovak NRG: **historical legacy and budget constraints**. Firstly, as one NRG member stated, Slovakia, as a relatively new state, does not have a strong military tradition. Having been part of larger states or empires in recent history, Slovakia has developed a tendency for free riding and a reliance on multilateral institutions without much voluntary contribution unless it is required. Secondly, there are concerns with respect to the Slovak national budget. Expected increases in defence spending for the 2018-2020 budget period have already been made due to previous commitments within the NATO context. If implemented, most of the new expenditures will be earmarked for rearmament, limiting the space for other priorities.⁸

On a domestic level, the NRG debates referred to the **internal divisions** within the Slovak political elite **about the adequate approach towards Russia**, a world leading energy supplier. In 2014, when Russia invaded Ukraine, reactions in Bratislava were ambiguous. Slovak Prime Minister Robert Fico repeatedly criticised the EU sanctions regime against Russia while also upholding it in the name of EU unity. Nevertheless, there are quite a few politicians, either from his own centre-left party, at the far-right and on the far-left fringes that consider Putin's Russia as a model to emulate. The NRG noticed the spread of anti-Western and anti-EU rhetoric on social media channels, some of which being supported by Russia. The European External Action Service (EEAS) should in this regard continue to build joined up capacities to counter this propaganda and impose its own **strategic communication**.

From a Slovak perspective, a top priority remains **energy security**. The 2009 gas crisis, which escalated from a price dispute between Russia and Ukraine to the disruption of Russian gas supply to Europe, has left a strong imprint. Slovakia was the second most affected EU country after Bulgaria. In the meantime, lessons have been learnt and the situation has significantly improved with new cross-border interconnectors and reverse flow capacities being built thanks to the support of the EU. However, these achievements of the past decade could be undercut by the new **Nord Stream 2 (NS2) gas pipeline**, which is planned to deliver gas from Russia directly to Germany via the Baltic Sea, bypassing Ukraine and Slovakia. This will limit the role of these countries in gas transit and increase Russia's leverage over their energy supplies. Germany, Austria and some other EU member states adhere to the view that NS2 is a strictly commercial venture pursued by their energy companies in tandem with Russian Gazprom. Slovakia, along with Poland and several other EU members in Central and Northern Europe, however, consider it as a strategic move with serious geopolitical repercussions. It could have a seriously negative impact on gas market in the region.

According to the policy documents about the Energy Union, the European Commission has stated that NS2 would not help achieve the EU's goals in terms of diversification of the sources, routes and suppliers of the gas market. In fact, it could have quite the opposite effect by putting at risk existing supply routes via Ukraine, whose capacity is not fully utilised at the moment. NS2 could result in Slovakia suffering from the collateral damage of Russia's objective to undercut Ukraine, and Germany's objective to increase its own security of gas supply - fuelled by concerns over continuing Russian-Ukrainian conflict and exposure to a very non-transparent, corrupted gas transit business in Ukraine (the new pro-EU government in Kiev has been trying to fix this problem ever since it has come to power). Slovakia now

⁷ Since the last meeting of the Slovak NRG, the government has become a signatory to PESCO (Permanent Structured Cooperation) mechanism.

⁸ In 2017 Slovakia adopted a new Defence Strategy, a new Security Strategy, a new Concept for Military upgrade and participated in 2 missions (Iraq and the Baltics).



expects the European Commission to act as a neutral guardian of EU law and to ask the Council for a strong mandate to negotiate with Russia the legal framework in which NS2 would operate.

MIGRATION: LEARNING SOLIDARITY, BATTLING POPULISM

The Slovak NRG debates focused on the shift **from migration crisis management to crisis prevention**. The second approach demands better external border controls, agreements with third countries such as Turkey, and a reform of the EU's asylum system. In addition, there is a need to shift public attention both in Slovakia and the rest of the EU from illegal to legal migration.

The system of mandatory quotas was perceived as flawed in Slovakia because of the way it was adopted and implemented. The imposition of top-down solutions with respect to a highly sensitive issue that concerns national politics and identities was too hard to swallow politically in Slovakia. In the eyes of Slovakia, the decision to adopt the system by a qualified majority vote instead of by consensus further undermined its credibility. The Slovak group also voiced scepticism about the EU's common migration and asylum policy. While Slovakia is often seen as one of the main obstructers, the group emphasised that the performance of most member states with regards to the relocation scheme is far from stellar. Out of the 160,000 planned relocations, only 24,000 had been implemented by July 2017. The overall sluggish progress can hardly be blamed only on Central European countries. It rather indicates that the relocation mechanism needs an overhaul.

The so-called 'effective solidarity' concept introduced in November 2016 during the Slovak Council Presidency was seen as a reasonable attempt to find common ground among different camps within the EU27. Slovakia has advocated for a more comprehensive approach towards Europe-wide cooperation on migration issues. While protesting against the mandatory refugee relocation quotas, the government argued that quotas are only one of the ways in which a country can contribute. Countries should be able to contribute thanks to a combination of different means, all equally valuable with regard to the EU's aim to find a solution to the migration crisis. This includes, for example, financial contributions to EU schemes and programmes aimed at the eradication of root causes of migration, sending officers to Frontex and other agencies, providing transfer assistance, and scholarships. Moreover, a pure mathematical calculation of quotas, according to the government, is counter-productive, as it does not give appropriate consideration to countries' different experience of immigration and integration capacity. It also overlooks the fact that asylum seekers are not willing to come to Slovakia.

Nevertheless, the NPE transnational debates have confirmed that in the eyes of the international community the introduction of the 'effective solidarity' concept was seen as an attempt to dismiss Slovakia's responsibility in providing shelter to refugees. From a German perspective (amongst others), asylum-seekers are not willing to stay in Slovakia because its government and society are not willing to accept them. Hence the central question of the debate revolves around whether the apparent lack of interest of asylum seekers in the country can and should be blamed on the Slovak government? Slovakia is obviously not an attractive destination country for asylum seekers and the reasons for it are complex.

As the Slovak NRG argued, there is a need to acknowledge that secondary movements are a reality. The majority of asylum seekers, including those just passing through the country, did not choose Slovakia as their country of destination, but moved further to Austria, Germany, or Nordic countries. Any reasonable individual is trying to find a better life, but compared with the conditions in neighbouring Austria or Germany, those in Slovakia are disadvantageous. The financial and material support that asylum-seekers can receive in Slovakia is considerably lower than in Northern countries. Slovakia has not developed expat networks that can serve to facilitate the cultural integration of newcomers and provide

⁹ See the plan proposed by the Slovak Presidency and titled "Effective solidarity: a way forward on Dublin revision".



them with employment options. The complexity of the domestic legal system is an additional burden. All these conditions limit secondary movements to Slovakia quite considerably and propel secondary movements from Slovakia.

One of the arguments raised was that even if asylum seekers were transferred to Slovakia under the mandatory relocation scheme, they would most probably not stay. This lack of desire among the asylum seekers to stay in Slovakia, albeit often grounded in justifiable reasons, is particularly hard to accept for Slovaks. As it was mentioned during the discussions of the Slovak NRG, asylum seekers have the right to protection but not the right to free movement.

That said, the government is not making sufficiently visible efforts to attract asylum seekers. And **the lack of interest in and knowledge of Slovakia among asylum seekers is a rather convenient situation**: it helps diminish Slovakia's responsibility in introducing domestic changes that could entail political risks. In the view of the Slovak government, due to different historical and societal circumstances, Slovakia is not positioned to permanently host large numbers of refugees, particularly those who come from different societies and cultures (read Muslims and people from Africa).

According to the fall 2016 Eurobarometer survey, immigration from non-EU countries evokes negative feelings for 79% of Slovaks. Only 31% of Slovaks think that Slovakia should help refugees. ¹⁰ In September 2015, around 60% of Slovaks, according to several polls, were convinced that Slovakia should not accept any refugees. ¹¹

Slovaks are concerned about migration despite the fact – or because of the fact – that it is among the most homogenous countries in Europe. The most frequently cited reasons for concerns are security risks (criminality, Islamic extremism and terrorism) and the lack of cultural compatibility. The economic burden on the country is also often cited as a concern. Slovaks are typically much more averse to refugees and migrants from the Middle East and Africa compared to those from Ukraine, the latter enjoying noticeably higher support.

Consequently, the government, supported by public opinion, has not been willing to take political risks by welcoming foreigners. As a result, most of the effort has been oriented towards contributing to external solutions or providing assistance not involving the acceptance of a fixed number of people.

There are, however, easy and rather safe steps that could help the government to improve its domestic record and change the public and domestic perception of Slovakia as a transit country. These steps include the involvement of NGOs throughout the entire process of relocation and the adoption of an integration strategy for asylum-seekers, from their actual arrival in Slovakia to the first months and years of the integration process.

Refugees are not the only group of migrants that Slovakia is ambivalent about. For many Slovaks, the inflow of migrants to the EU is associated not just with people fleeing conflict but also and primarily with people who are seeking better life and employment opportunities. The aversion towards migrants among some segments of the population is also based on the domestic unemployment rate. In March 2017, it stood at 8%, ¹³ which is a noticeable decline from the 9.9% rate registered a year earlier. Despite a comparatively high domestic unemployment rate, especially in Eastern Slovakia, employers often complain that there is a shortage of labour for reasons that vary from the low level of formal employment participation among the Roma population to Slovaks not possessing the right skills for the labour market. The government is, hence, facing an unresolved dilemma between competing pressures, namely the call to improve

¹⁰ Standard Eurobarometer 86, Fall 2016, Slovak National Report.

¹¹ Poll by 2muse, Focus, 2015.

¹² Polls by 2muse, September 2015 https://www.slideshare.net/mdubeci1/postoje-voi-uteencom; Focus, December 2015 https://wedanadosah.cvtisr.sk/slovenska-verejnost-a-utecenci-v-decembri-2015; Polis Slovakia, July 2015, https://domov.sme.sk/c/7936858/prieskum-najvacsim-problemom-slovenska-je-nezamestnanost.html.

¹³ http://www.upsvar.sk/statistiky/nezamestnanost-mesacne-statistiky/kopia-2016.html?page_id=671750.



domestic employment versus the desire to appease businesses and attract more foreign companies to relocate their manufacturing and service centres to Slovakia.

It was underlined that during the migration and refugee crisis, Slovakia went through two different phases. First, there was the populist and xenophobic campaign during the March 2016 parliamentary elections. Then came a more restrained approach by the new coalition government, which also included a small migration-friendly liberal party as a junior member. In addition, due to the country's EU Council Presidency the government adopted a moderating role, which also affected the rhetoric of the Prime Minister. Unlike other V4 members such as Hungary and Poland, the Slovak government now supports hosting refugees through voluntary relocation schemes. During a meeting with German Chancellor Angela Merkel in April 2017, Prime Minister Robert Fico pointed out that each EU country must help to solve the migration crisis.

Slovakia has already put some solutions on the table. They include **relocation measures**, **scholarships for refugees or the creation of transit centres**. It is also important to highlight that Slovakia's anti-migration sentiments are more nuanced that they appear abroad. In 2015, there has been a **mobilisation of civil society** and a spike of activism and volunteering among various segments of the population. NGOs continue their activities and remain vehement advocates for a more open migration policy in Slovakia. Their activities include providing legal and integration support, mitigating stereotypes about refugees, working with municipalities that have the potential to host refugees, and assisting asylum seekers who have arrived in Greece. Thousands of unaffiliated volunteers went to the Balkans to help refugees on the way to Europe: they provided accommodation or participated in fundraising activities. With the Balkan route closed, hundreds of Slovaks regularly went to the Austrian reception centres, located just a few kilometres away from Bratislava. They brought food or other necessities to refugees and assisted them with social work.



CONCLUSIONS

The main conclusions from the discussions and reflections of the Slovak NRG are the following:

- Slovakia should firmly stay in the 'EU core' and participate in differentiated integration which should not be carried out at the expense of other EU members and remain open to those willing to join.
- The Slovak approach to V4 should continue to be tactical. Slovakia should participate in it and push the agenda on non-conflictual issues, while not forgetting its EU responsibilities.
- The discourse in Slovakia about the EU should not be limited to economic benefits and cohesion funds for public investments but broadened to address both benefits and contributions.
- The Eurozone needs stabilisation and structural reforms to withstand new cyclical crises. These reforms should be concentrated on fiscal responsibility, strict adherence to common rules and minimisation of debt mutualisation.
- While deeper integration in the Eurozone is most likely, there should be a mechanism for an orderly exit from the monetary union.
- In the social dimension, the EU should strive for fair and equal treatment, without adhering to hidden protectionist agendas.
- Europe's security can be improved with a more effective engagement in our neighbourhood, a better management of external borders and a strengthening of EU cooperation in internal security matters.
- There should be a pragmatic focus on increasing EU military capabilities that can be deployed by the member states under the command of NATO to avoid duplication.
- Energy security should be enhanced by carefully considering and supervising large projects such as NS2. A strong mandate should be given to the European Commission.
- In the field of migration, a shift from crisis management to crisis prevention is necessary. This entails better
 external border controls, agreements with third countries such as Turkey, and a reform of the EU's asylum
 system.
- Mechanisms such as the mandatory quotas are not effective tools to fight large mobility crises. The imposition of top-down solutions with respect to a highly sensitive issue was a move hard to accept politically. Technically, such mechanisms are hard to implement.
- The concept of 'effective solidarity' allowing countries to contribute with a combination of means to solve migration crises is a reasonable attempt to find common ground among different camps within the EU27.
- There should be an acknowledgement of secondary movements. Some countries, like Slovakia, are not
 perceived as attractive for a number of complex reasons. Asylum-seekers will most likely not settle in unless
 the level of 'attractiveness' rises.
- The discussion in Slovakia on migration has been rather populist and used for political gains. When countries take on important European responsibilities, such as the presidency of the Council of the EU, it has a mitigating effect on populist rhetoric.
- The anti-migrant discourse in Slovakia has also spurred the mobilisation of civil society and a surge of activism and volunteering among various segments of the population.



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