

# From big picture to brass tacks

**Slovak diplomacy must start paying more attention to how it conducts foreign policy and manages its foreign interests**

BY BEATA BALOGOVÁ  
*Spectator staff*

THE SLOVAK public has not been immune to the trend of declining interest in foreign affairs, and the media has responded by shaving pages and minutes from their international news coverage.

Despite the domestic disinterest, however, foreign policy experts say that Slovakia's ability to respond promptly to events on the world political stage, which requires above all being informed, is becoming ever more important.

From the late 1990s to 2004, Slovakia's foreign policy apparatus spent most of its energy on getting the country accepted to NATO and the European Union. Now, after a decade of almost on-track efforts, Slovakia again needs to define its strategic foreign policy interests. That job now falls to whatever new government emerges from the general elections held on June 17.

There are many vital questions the new government has to

answer, starting from the country's ability to lobby effectively for its interests within the European Union, through its commitments to trans-Atlantic ties, and the future of regional cooperation between the Visegrad four countries (Slovakia is the most active advocate of cooperation between Hungary, Poland, and the Czech Republic).

Slovakia watchers say that the elections should not alter the status of the EU as the main focus of Slovak foreign policy.

"Slovakia is and will be a vital voice in the European Union; there is no doubt about this. Whatever government finally emerges, keeping this important role in Europe and even reinforcing it will be a permanent priority for the next prime minister and foreign affairs minister," Bruno Sergi, professor of international economics and political economy at the University of Messina, told *The Slovak Spectator*.

According to Sergi, this does not mean that Bratislava will be limited in its talks with the Russia of President Vladimir Putin or in dealing with developments in the Balkan Peninsula.

"The Balkan countries and their aspiration to join the European Union could give a perfect political and geographical advantage to Bratislava. Even though Slovakia is a small country, Bratislava could become the main diplomatic actor in the enlargement policy to southeast," Sergi said.



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■ Slovakia needs to work on its ability to effectively lobby for its interest in the EU.

However, Sergi added that Brussels remained the pole star of Slovak foreign policy, "even if some political analysts might say that this is causing a decline in the interest that Slovaks take in foreign policy issues."

Foreign policy experts also say that after pioneering and developing Slovakia's key foreign policy interests such as the EU, NATO, and US-Russia relations, it's now time to focus on improving the management of Slovak foreign affairs network.

"On the one hand, foreign affairs representatives have to improve the system for influencing decision-making processes and advocating our strategic interests towards the EU, such as creating effective broader structure including people in EU institutions and independent experts and companies active in EU relations," said Martin Novotný, a founding

partner and the chairman of international operations at the Amrop Jenewein Group.

"On the other hand, Slovakia's foreign affairs structure has to be more open to advocating the strategic interests of its businesses towards the EU."

Novotný said that within Central Europe, Slovakia should be driving more new initiatives within the Visegrad regional format, where economic reforms and energy security issues might have the greatest potential to succeed.

Foreign policy experts stress that economic interests and the involvement of business should not be ignored when shaping foreign policy goals.

"In pure economic terms, the economic priorities of Slovak foreign policy must be consistent with the benefits that globalization and global investment have

already conferred on the country, as well as the developments on the country's job market," Sergi said.

According to Sergi, economic stability is now essential and goes hand-in-hand with foreign economic relationships.

What foreign policy areas have the greatest impact on businesses in Slovakia?

Novotný said there were essentially three.

"One of them is influencing potentially negative legislation on the bilateral and mainly the EU level, where foreign missions and the ministry should focus on establishing better communication with the business sector to identify potential risks and effectively advocate their interests," Novotný told the *Spectator*.

He also listed trade missions, suggesting that "clear leadership, effective management, and tailor-made assistance in international

tenders would bring Slovak businesses more opportunities to join global business.

"The third area should be long-term goals, where we should promote, mainly at the EU level, a strong drive towards economic integration and liberalization. From the long-term perspective, this is the only way to remain competitive with China and India as well as other emerging mega-economies," Novotný added.

Sergi conceded that the Slovak public wanted the next government to pay greater attention to domestic economic concerns, but added that these priorities cannot be isolated from international variables.

In terms of neglected policy areas, Novotný mentioned EU energy policy.

"I think we underestimate our role in EU energy policy, where in the area of oil and gas supplies we could play a much more important role as the initiator of supplies diversification."

Foreign policy experts agree that if a small country wants to have a more decisive word in international affairs, it has to use more clever tools including effective management and a broader network of contacts.

"I see the role of Slovakia in future more as a facilitator and an initiator of new ideas to improve the environment and relations in Central and Eastern Europe, as well as economic reforms at the EU level," Novotný concluded.

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## Another investment opportunity in Slovakia

The Slovak Republic, the country in the centre of Europe, is again offering potential interested parties the opportunity for wonderful investment. Many world firms, developers and investors have convinced themselves that this country has something to offer. Slovakia has demonstrated significant progress in all economic indicators. Unemployment is falling rapidly, the Slovak currency is stable, and GDP is climbing steadily. Slovakia's macro-economic results are comparable with the development in neighbouring countries, and in many areas SR is showing better results than other former East bloc countries. Slovakia has introduced a unified tax system: a single 19% tax applies to products and services. Tax law is harmonized with EU standards, and in comparisons of the total amount of taxation, SR has the lowest tax burdening among both EU and OECD states.

Interest in the Slovak Republic on the part of foreign tourists is growing annually by 10%. In 2005 over 1.8 million tourists visited Slovakia. Main motivations for visits include culture, familiarization with the country, summer vacations and spa stays. Among the significant factors underlying visits belong availability, attractive prices and the safety of the country.

The community of Kráľová pri Senci is located in the Senec

district. It ranks among the most productive and prospering regions in SR. The community is located in Bratislava's catchment area (50 km ring around the capital) with the



highest concentration of the solvent population - up to 750 000 people. In the territory of the Senec district are registered more than 5000 functioning business subjects. The Senec region offers visitors many attractive destinations. In the neighbouring municipality of Hrubá Borša is located a riding academy, and in the region are excellent conditions for cyclo-tourism. Golf is offered in the nearby communities of Bernolákov and Čierna Voda. In 1989 was constructed an airport capable of landing aircraft up to 6 tons without problems.

The Kráľovský termál stock company, in which the major shareholder is the community of Kráľová pri Senci, is declaring a public competition for an investor in Kráľovský termál. In question is the complex of the formal thermal baths on the outskirts of the community of Kráľová pri

Senci, with an area of about 5.5 ha. Access to the complex is by an independent road outside of the community. All water sources and engineering networks are at disposal within the spa's grounds. As part of the investment offer are on sale functioning geothermal wells with a wide possibility of exploitation. The thermal water is high in minerals and suitable for supplying the recreational swimming pools of the resort centre. Due to its relatively high temperature (52°C) it is also usable as energy in various technological facilities. The spring has healing effects. The

mineral water is hydrogen /carbon/ sodium/magnesium, good tasting and suitable for bottling. The composition of the water, its variety of effects, the strength of the spring and the placement of the wells make possible a wide exploitation of the thermal springs: the thermal pool, the spa complex with appropriate accommodation, the thermal baths combined with wellness services, heated residential premises, greenhouses or tapping and filling of mineral water from the spring.

**Those interested in entering the public competition for this attractive investment may register directly at the Town Hall in Kráľová pri Senci. All information, forms and details regarding the tender can be found on the web-site [www.kralovskytermal.sk](http://www.kralovskytermal.sk) from 15.6.2006. The deadline for delivery of binding offers will be 31. 7.2006.**

## PRIORITIES: Agenda too heavy?

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**TSS: Many argue that small countries like Slovakia have a very limited say in world politics. How can they have an impact on the most important issues?**

IS: This argument is rational, but small and economically weak countries must see their role in world politics in the right context. Furthermore, the fact that we are a member of international organisations such as the EU and NATO can give us considerable weight.

**TSS: Some have said that Slovakia's weight in international organisations and EC structures suffers from its lack of qualified experts and an ineffective lobby. Do you agree?**

IS: The number of qualified people has increased in recent years

in spite of the fact that many diplomats are political party nominees and not career diplomats.

The issue of weak lobbying is, however, a serious one. The lack of lobbying skills has long been an issue for Slovak diplomacy,



Courtesy of Ivo Samson

■ Ivo Samson of the SFPA.

compared, for example, with Poland, Hungary or even Croatia.

**TSS: Some analysts say the Slovak public has been losing interest in foreign policy issues. Even the media has curtailed its foreign policy coverage. Is this trend specific to Slovakia and other post-communist countries, or is it a wider phenomenon?**

IS: The decline of interest in foreign policy is simply a reality, and it is not a positive trend. It has to do with the strongly consumerist attitude that Slovaks take toward world affairs, as well as toward EU and NATO membership.

However, I don't see any major differences between the Slovak public's interest in domestic issues and the interest of neighbouring post-communist countries.

## BUSINESS diary

### Czecho-Slovak law firm opens Ukrainian office

PETERKA & PARTNERS, LLC, a Prague-based law firm, opened its first office in Kiev on June 15, 2006. The branch is the firm's second on international territory, the first being the branch opened in Bratislava in 2001.

"Coming to Kiev is another step in our foreign expansion," said Ondrej Peterka, the firm's managing partner.

The Kiev office employs 10 lawyers headed by Monika Hosková and Alexander Poels, and specialises in mergers and acquisitions, real estate, corporate and general commercial law and labour law. The team will also work in collaboration with the offices in Prague and Bratislava to provide complex legal services.

Hosková graduated from the Law Department of Charles University in Prague and was admitted

to the Czech bar in 2005. She has worked with Peterka & Partners since 2000. She speaks fluent Czech, English and French and has working knowledge of Slovak, Russian and Ukrainian. Her specialisations include commercial law, real estate, bankruptcy and labour law.

Poels received Masters of Law degrees from the Faculty of Laws of the Katholieke Universiteit in Leuven, Belgium and from the University of Iceland's Faculty of Law in Reykjavik. He worked with Peterka & Partners in Bratislava almost two years prior to moving to Kiev. He is fluent in English, French and Dutch and has working knowledge of Spanish, German, Russian and Ukrainian. His focus is mainly on EU and International commercial and company law.

Compiled by Spectator staff  
from press reports