



## VIENNEAST COMPASS

### SLOVENIA: GOVERNMENT STABILITY & POLICY OUTLOOK

#### OUTLOOK:

- The newly formed centre-right coalition led by SDS leader Janez Jansa is likely to remain in office until scheduled elections in June 2022;
- Its stability will likely be sustained by its moderate policy, the Covid-19 pandemic and the fragmentation of the left-wing parties that had formed the previous government;
- The prospects for SDS to post significant gains in 2022 have increased, which will enable the adoption of populist policies that would likely tighten asylum rules and undermine judicial independence;
- However, the structurally multiparty nature of Slovenian governments will likely prevent an SDS monopoly similar to those present in Hungary and Poland.

#### BACKGROUND

On 13 March 2020, the National Assembly – the 90-seat lower chamber of the Slovenian parliament – voted to inaugurate the new coalition government, which is led by Janez Jansa and comprises four parties:

- Slovenian Democratic Party ('SDS') – populist right-wing – 25 seats, 25% of the vote;
- Modern Centre Party ('SMC') – liberal centrist – 10 seats, 9.75%;
- New Slovenia-Christian Democrats ('NSi') – centre-right – 7 seats, 7.16%;
- Democratic Party of Pensioners of Slovenia ('DeSUS') – single issue centre-left – 5 seats, 5%.

The new government, which commands a parliamentary majority of two, replaces its centre-left predecessor, which collapsed after 17 months on 27 January when Marjan Sarec announced his resignation as prime minister owing to the difficulty of agreeing legislation with the four coalition partners of his party list. With the exception of the SMC, all of the parties in the Sarec government have entered into opposition.

#### ANALYSIS

The appointment of Janez Jansa as prime minister marks his third tenure in office, having served in the role between 2004-2008 and 2012-2013. The SDS, which is dominated by Jansa, emerged as the largest party in the parliamentary election of June 2018, having stood on a populist anti-migrant platform inspired by Jansa's closest international ally, Hungarian prime minister Viktor Orban. However, this controversial stance prompted most parties to spurn a coalition with SDS, thereby facilitating the formation of a left-wing majority. The situation changed when, with the collapse of the Sarec government, the new leadership of the SMC reversed its stance on cooperation with SDS, enabling a centre-right majority and prompting the resignation of the SMC's founder and former prime minister, Miro Cerar.

In order to enable the coalition, the SDS has softened its populist stance, pledging instead modest centre-right policies. These include the gradual reintroduction of six-month conscription; tighter border controls for asylum seekers; social spending on families in particular; the pegging of public



sector pay to performance; increasing the transparency of the judiciary by way of making court rulings public and allowing for dissenting opinions by judges; increasing the funds available for municipalities; and the possible nationalisation of the contract for the development of the Koper-Divica light railway line. Moreover, the government will introduce a stimulus package worth EUR 1 billion to offset the economic impact of the Covid-19 pandemic.

## **FORECAST**

The next parliamentary elections are scheduled for June 2022, which provides the Jansa government with limited time to implement more radical policies. The need for consensus amid the Covid-19 pandemic is likely to reduce the scope for government instability, which should allow the Jansa government to complete the legislative term. Furthermore, Jansa, who is the most experienced politician in Slovenia, is aware that through exhibiting patience and moderation, his party will be in a strong position to post significant gains at the next election. A unified front of left-wing parties, the fragmented nature of which caused the collapse of the Sarec government, would be an unlikely prospect.

In the event of such a victory, SDS would be able to adopt more populist right-wing policies. Besides tightening asylum policy, Jansa is particularly focused on the judiciary. Having been imprisoned twice, once as a dissident in the 1980s and again in 2013 for alleged corruption, Jansa believes that the judiciary is captured by Yugoslav-era interests. Measures to increase political control over the justice system would therefore be likely if SDS returns to government in 2022, which may undermine the ability of the courts in enforcing contracts in an independent and fair manner.

However, the fragmentation that has characterised Slovenia's political landscape for much of the post-1991 period necessitates multiparty coalitions, the stability of which hinges on consensus-building. The scope for unilateral action by senior governing parties is thus greatly constrained. It is therefore very unlikely that SDS will be able to establish a populist monopoly similar to that of Fidesz in Hungary and Law and Justice in Poland. The tone of public discourse is likely to change in Slovenia, but the country is unlikely to experience a deep restructuring of the state.

18 March 2020