



Weekly Briefing

Slovakia social briefing:
The Development of Slovakia's Social Strata in the Past 30 Years
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The Development of Slovakia's Social Strata in the Past 30 Years

Throughout the last 30 years, the Slovak Republic has experienced several significant changes related to the economy, domestic and foreign policy, as well as the state of social matters. Undoubtedly, many of them were directly linked to the year 1989 and related economic and political transformation, which was felt basically immediately.¹ In this briefing, we will try to point out the milestones with a considerable impact on societal developments in the country, presented as a kind of a timeline. Besides, we will comment on a few further aspects.

The year 1993 – when one country became two

Considering all of its neighbours and also other countries, Slovakia has always had the tightest relationship with the Czech Republic. In fact, the countries are marked by a history of being one nation state. The Slovak Republic as a sovereign state was formed on 1st of January 1993 as a parliamentary democratic republic, after its split with the Czech Republic. The „divorce” occurred even despite attempts of democratic political forces to facilitate co-existence after 1989. There were several reasons for the final decision, for instance economic or political factors.²

Until the present day, there are still many opponents of this step, melancholically claiming „it was better before”, or „we should have never separated”. Undoubtedly, the common history has left its marks, ranging from the ability to understand each other even when using different languages, through similar culture, cuisine and traditions, to still very intensive bilateral trade relations. Czechia is also an attractive place of study for Slovak students, as the quality of the universities is considered to be higher. Similarly, many Slovaks work there; some thereof commuting, others living. Mixed Slovak-Czech marriages are also very common. Last but not least, Czechia attracts thousands of Slovak tourists, whereby some prefer sightseeing in Prague, others enjoy wine tours in the Bohemia region. As for tourism, the same applies vice-versa, since Slovak High Tatras and other beautiful places are searched for by Czechs all the time.

¹ Source: Prucha, V. et al. 2009. Hospodarske a socialni dejiny Ceskoslovenska 1918-1992, p. 980.

² Source: Prucha, V. et al. 2009. Hospodarske a socialni dejiny Ceskoslovenska 1918-1992, p. 995, 998.

Entering Europe in 2004

Another important milestone in the Slovak latest history was its becoming a European Union Member State on 1st of May 2004. Slovakia, together with nine other countries, entered the EU within the biggest enlargement ever.

Regarding Slovak membership in the EU, the same societal attitude applies as in case of the separation of Czechoslovakia. Despite many advantages the EU membership has brought us, there are still people believing that this was a huge mistake, and the EU does nothing else but forcing us implement its own ideas. Most of these people would rather prefer a pro-Russia orientation, referring to Russia as a powerful ally, and overlooking everything that has been reconstructed, built, or improved thanks to the European funds. The EU membership has also enabled thousands of students and teachers to experience a study / teaching mobility abroad.

According to some sources, one of the most substantial success stories of the European Union is the establishment of the Schengen Area – an area where internal borders ceased to exist. Thanks to Schengen, not only EU citizens, but also tourists, entrepreneurs and many third country nationals are allowed to move freely without being checked at the borders.³

Euro as a Common Currency as of 2009

It is common knowledge that not all of the EU Member States have adopted the Euro so far. Taking into account the countries which joined the EU with us, there are also some examples among them. On the contrary, Slovakia has been using the common currency for 12 years now, since 1st of January 2009. And again, there are both proponents as well as opponents of this.

The opponents, for instance, seem to overlook the advantages of the Euro adoption, such as the elimination of exchange costs, better opportunities for businesses, or the Euro as a sign of European identity.⁴ Some authors say, Slovakia's motivation for the Euro had been linked to prospects concerning economic growth and inflow of foreign direct investments, what

³ Source: https://europa.eu/european-union/about-eu/countries_en

⁴ Further benefits of the euro: https://ec.europa.eu/info/business-economy-euro/euro-area/benefits-euro_en

eventually happened. It is also thanks to the Euro that investors such as Kia chose Slovakia as their destination.⁵

Moreover, some of the elderly still tend to refer to the euro as the crown – former Slovak currency - probably from sentimental reasons, or due to not being able to accept changing of the currency they were using for a long time.

Further issues and events

Except for the above discussed European Union membership, Slovakia has joined many more international organizations and fora. The Ministry of Foreign and European Affairs of the Slovak Republic divides these into eight categories based on their purpose and focus (e.g. safety, regional cooperation, financial institutions, etc.).⁶ The list is quite extensive, and we suppose that a plenty of citizens may not even be familiar with most of them. Nevertheless, membership in so many international bodies is a proof that Slovakia is an open country integrated in the international community, and ready to conduct dialogue on diverse matters. We find this crucial as ultimately, it is the society and the citizens who are concerned.

Slovakia's opening its borders has resulted in its being spotted by a lot of foreign investors, predominantly producers of vehicles, and multinational corporations establishing their shared service centres here. Their presence in the country has several dimensions. We can mention the change of former employment patterns, and the focus on competencies different from those in the past. English language, for instance, has pushed away the previously widespread Russian. IT skills are a necessary asset as well.

Another aspect linked (not only) to the presence of foreign investors in Slovakia is the uneven geographical distribution of the population and considerable regional differences as for wages. Although the uneven geographical distribution of wealth remains on a substantial level, the gap is slightly diminishing. In order to balance the situation as much as possible, the government tends to publish calls for project proposals aimed at regional development.⁷ As far

⁵ Vitali Butbaev: Aké sú výhody a nevýhody eura? Pozrime sa na príklad Slovenska.

<https://finweb.hnonline.sk/komentare-a-analyzy/1769722-ake-su-vyhody-a-nevyhody-eura-pozrime-sa-na-priklad-slovenska>

⁶ The list of international organisations Slovakia is a part of:

https://www.mzv.sk/zahranicna_politika/prehľad_medzinarodnych_organizacii_a_zoskupeni

⁷ Source: <https://www.trend.sk/trend-archiv/regionalne-rozdiely-zmiernuju-ekonomika-pomaha-viac-nez-dotacie>

as shared service centres are concerned, the majority of them is located in Bratislava, which in the other hand is not surprising, as the capital has also a favourable location as for transport. Statistically, Bratislava belongs to the richest regions in the European Union, too. The ranking considers mainly economic performance per capita.⁸ However, as already mentioned above, this is not the case of the rest of the country.

Except for regional disparities, one demography-related problem the country will definitely have to deal with as soon as possible, is population aging. According to the prognosis of the European Commission, the proportion of people at the age of 65 and older will increase rapidly by 2060. Experts say, Slovakia currently does not seem to be ready for such pressures on the social system and public finance.⁹ As population aging is a problem in several European countries, they could copy each other's successful patterns of dealing with it, or approach the issue as an international phenomenon requiring cooperation of the concerned countries.

Next element resonating in Slovak society is the development of domestic political scene, frequently associated with authoritarian leadership, corruption and bureaucracy. As for corruption and bureaucratic procedures, these are often highlighted as the most critical obstacles regarding business environment.¹⁰

Last but not least, the ongoing COVID-19 pandemic has been shaping the social situation in the country for a year now. There is no doubt the consequences will last in a long term, and will concern several dimensions of human existence. In Slovakia, this unfortunate situation has intensified the voices of many citizens expressing their dissatisfaction with the contemporary political arena, claiming that the government is not doing enough to combat the virus, and to help those who are suffering the most. Despite strict anti-pandemic measures, we have witnessed several anti-government protests within the last months. The pandemic is not only responsible for economic problems, psychological issues and deaths, but also for dividing the society regarding important social questions, such as vaccination or wearing face masks.

⁸ Source: <https://europskenoviny.sk/2019/02/26/bratislava-je-v-top-10-najbohatsich-regionov-podla-vykonu-ekonomiky/>

⁹ Source: https://ec.europa.eu/slovakia/news/slovakia_is_not_ready_for_population_aging_sk

¹⁰ Source: World Economic Forum: The Global Competitiveness Report 2017–2018, p. 264. Available at: <http://www3.weforum.org/docs/GCR2017-2018/05FullReport/TheGlobalCompetitivenessReport2017–2018.pdf>

Conflicts, verbal or physical, hot arguments and considering those with a different opinion to be either stupid, irresponsible, or completely out of mind, has become a sad reality.

To conclude, in our opinion, Slovakia is on the verge of slowly becoming a multinational society. What in the past was regarded as something extraordinary, e.g. hearing a language from all around the globe in the streets, has become an everyday reality. Slovakia has transformed into a modern country that is not only attractive for international students and workforce, but foreign tourists as well. Its presence on the international scene has been highlighted also by a number of sport events that have been hosted by the country, such as the ice hockey world championship in 2011 and 2019. Slovaks are proud of their spectacular nature, historical towns and unique places, many of which have been included into the UNESCO list of natural heritage. What we hope to be improved in the future is the acceptance of a multicultural society and diversity, that is, unfortunately, still questioned by a certain part of the population.