# Hungary (Magyarország) and Slovenia (Slovenija)

Hungary and Slovenia were among the former Communist countries that joined the European Union on 1 May 2004. Both are central European countries that share a common border. Hungary also borders Slovakia, Czech Republic, Romania, Croatia, Austria, Serbia and Ukraine. Meanwhile Slovenia, which was formerly part of Yugoslavia, has borders with Austria, Italy and Croatia. The two countries were at the forefront of the move from Communism to liberal democracy in central Europe and have since made a very successful transition to the market economy.

## Recent History

Communist rule in Hungary ended in 1989 when the Hungarian Communist Party voluntarily gave up power under pressure for political reform. The Third Hungarian Republic was declared on 23 October 1989 and free elections were held in 1990, marking the start of democratic government in the country. Hungary quickly developed a strong party system and has had an orderly transfer of power between the centre-right and centre-left. The key aims of the Hungarian government have been to develop a more open, liberal economy and to forge closer links with western Europe. A major step forward was achieved in 1999, when Hungary became a member of the North Atlantic Treaty Organisation (NATO). This was followed by EU membership in 2004. However, the introduction of a controversial new constitution in Hungary on 1 January 2012 sparked concerns about the curtailing of freedoms and was marked by protests.

Slovenia was the first republic of the Federal Republic of Yugoslavia to break away, when it declared its independence in June 1991. While the rest of the federation collapsed into ethnic civil war, Slovenia escaped following only a very brief conflict. Slovenia was recognised by the United Nations (UN) in May 1992. In the years following independence, Slovenia established a successful liberal democracy that pursued a policy of steady economic reform. Slovenia succeeded in securing membership of NATO and the EU in the same year – 2004. In September 2011 the coalition in the Slovenian government collapsed following a vote of no confidence related to the ratification of the EU bailout fund. Elections were called for December 2011.

## Government Structure

Both countries are representative parliamentary republics. In Hungary, the Prime Minster is the head of the executive and sponsors legislation. The current government is led by Viktor Orbán of the conservative Fidesz-Hungarian Civic Union party, which was elected in April 2010 with the biggest victory at a Hungarian general election since the fall of communism twenty years ago. There was concern when the far-right party Jobbik won a large part of the vote - almost beating the Socialist Party (MSZP), which had ruled the country since 2002. The MSZP had faced problems because it led a minority government, which made governing more difficult. The President, currently Pal Schmitt, is elected by the legislature for a term of five years and has a mainly ceremonial role. Hungary has a single chamber Parliament (*Országgyűlés*) with 386 members. It has the power to initiate legislation.

Slovenia is a parliamentary republic where executive power is shared between the President, currently Dr. Danilo Turk and the Prime Minister, set to be Zoran Jankovic, leader of the Positive Slovenia party, once a coalition agreement has been formed. The Parliament has two chambers. The 90 member National Assembly (Državni Zbor) is directly elected and appoints the 40 member National Council (Državni Svet).

## Relations with the EU

Membership of the EU was an important political goal of both these countries. Having moved away from the Communist system, both made strong efforts to distance themselves from eastern Europe and to become more integrated with the West. In particular, they made efforts to identify themselves as central European countries – alongside Austria and Germany – rather than as part of the Communist sphere of influence. 70% of Hungary's trade is now with the EU, for Slovenia the figure is 66%. They have made significant attempts to make themselves more like other European countries, particularly by pursuing a programme of privatising formerly state owned companies, although this process has been slower in Slovenia. Both countries are now aiming for greater participation in EU projects. For example in December 2007 both countries became part of the Schengen zone enabling free movement across national borders. Slovenia also held the Presidency of the European Council for the first half of 2008, the first former Communist country to do so, and Hungary took over the Presidency on 1 January 2011. When they joined in 2004, neither country adopted the Euro immediately, although Slovenia did subsequently on 1 January 2007. This involved maintaining strong control over inflation and borrowing. Hungary is currently trying to meet the ***convergence criteria,*** but the country was hit particularly badly by the global financial crisis and October 2008 saw the value of its currency, the forint, plummet. The International Monetary Fund (IMF), the EU and the World Bank granted Hungary a $25 billion rescue package in 2008.

## Facts and Figures

- The majority of Slovenes work in manufacturing jobs, with the exports to the EU making up a significant part of their market.
- Hungary's economic growth has slowed since its 4.5% level in 2005; it reached a low of 1.4% in 2007 and was just 1.2% in 2010.
- Slovenia's economic growth has also fallen since it reached 5.7% in 2006. Its growth in 2010 was, like Hungary, just 1.2%.
- Hungary continues to have serious difficulties with employment: the unemployment rate in January 2011 was 12.1%.

### Technical Terms

***Convergence Criteria:*** the rules set down in the Maastricht Treaty that all countries have to meet in order to qualify for membership of the Euro.

### Links

- http://www.gov.si/
- http://www.kormany.hu/en
  http://news.bbc.co.uk/1/hi/world/europe/country_profiles/1097296.stm
- https://www.cia.gov/library/publications/the-world-factbook/geos/hu.html