

**KONZERVATÍVNY
INŠTITÚT
M. R. ŠTEFÁNKA**
M. R. STEFANIK
CONSERVATIVE
INSTITUTE

Annual Report 2006

**Bratislava
2007**

Milan Rastislav Štefánik Conservative Institute (hereunder as CI) is an independent non-profit NGO. CI is a think-tank with conservative orientation established as non-investment foundation on May 4th, 1999. It was registered at Regional Authority in Bratislava on June 2nd, 1999, under no. 99/602/87 – NF. Mr. Ján Králik is the establisher of CI. Mr. Peter Zajac (the chairman), Mr. Ján Králik (deputy chairman) and Mr. Vladimír Čečetka (member) constitute the **Board of Directors of CI**. Mr. Ondrej Dostál as the CI administrator is **the statutory body** from 2001. Andrea Gondová is the CI controller. Neither CI statute nor CI bodies underwent changes during 2006. In April 2006, the establisher of the non-investment fund appointed the Board of Director in unchanged composition for a three-year period: Mr. Peter Zajac (the chairman), Mr. Ján Králik (deputy chairman) and Mr. Vladimír Čečetka (member). Also in April 2006, the establisher assigned Ms. Andrea Gondová as the controller again for a three-year period.

In 2006, there were seven **employees** in CI: it's administrator and director Mr. Ondrej Dostál, macroeconomist Mr. Peter Gonda, project manager Ms. Dana Feketeová, communication manager and analyst for agricultural and environmental issues Mr. Radovan Kazda, co-ordinator of foreign relations, CI website administrator and analyst for regional policy and government issues Mr. Dušan Sloboda and the analyst for education issues Ms. Zuzana Humajová. During 2006, the fund-raising manager Mr. Luboš Mikuška joint the CI staff. Approximately 20 more fellow workers were co-operating in CI activities.

Unlike some other think-tanks, CI activities are not aimed to one single specific area of public affairs and the life of the society. The common factor of these activities is their basement in the conservative values and point of view related to the society and liberal attitude in the economics. CI activities serve for public interest. Their outcome becomes freely available to public and to the citizens, media, decision makers, political parties and also to other NGOs.

In 2006, CI carried out projects and activities to fulfill it's aim, i.e. mainly the development and protection of conservative democratic values and support of civic activities aimed to develop such values in Slovakia as well as the support of culture, research and education.

CI Projects

In 2006, CI continued with the implementation of the project of **Milan Rastislav Štefánik Conservative Institute Institutional Development**. The goal of this project was to build up the CI as stable and prestigious organization, accepted by the public as a purposeful and necessary institution. The project was aimed to develop CI communication activities, i.e. to the creation, collection and propagation of conservative ideas, points of view and values as well as to the development off its foreign contacts by building up of the relations and co-operation with relevant institutions and personalities mainly in EU-25 and the U.S. Another goal of this project consisted in the buildup of the documentary base, which contains basic conservative works, journals with conservative orientation, professional texts on

conservatism, literature, analyses and studies from different areas of the public policy. Mr. Radovan Kazda and Mr. Dušan Sloboda were the project co-ordinators. The project was executed due to the support of the Trust for Civil Society in Central and Eastern Europe. Several activities described hereunder were carried out within this project.

In 2006, CI continued organizing quarterly lectures of important foreign economists within the cycle of **Conservative Economic Quarterly Lecture Series (CEQLS)**. Four lectures were carried out in 2006. Mr. Peter Gonda was the project co-ordinator.

The first lecture within CEQLS took place in Pállfy palace in Bratislava on March 9th, 2006 within the framework of the conference called **How to Deal with Long-Term Unemployment and Poverty? Social Reform in Terms of Slovakia and the U.S.** *Ted Abram*, the co-author of the social reform in Oregon and Managing Director of **The American Institute for Full Employment**, gave the lecture on **The U.S. Social Reform Message for Slovakia**.

On June 27th, 2006, within CEQLS in Radisson SAS Carlton Hotel Bratislava, Mr. *Richard W. Rahn*, the Director of **Center for Global Economic Growth**, Washington, D.C. and member of Mont Pèlerine Society, which is constituted by the most important classical-liberal economists of the world, gave a lecture on **The Government Role. Ten Points for Economic Growth and Freedom**.

On October 23rd, 2006, Mr. *Johnny Munkhammar*, Program Director for Free Market of the Swedish think-tank **Timbro**, gave a lecture on **European Social Model for Slovakia? The Swedish Point of View** in Pállfy Palace in Bratislava.

The winter lecture within CEQLS cycle took place in Pállfy palace in Bratislava on December 13th, 2006. Mr. *Josef Šíma*, economist and employee of the Liberal Institute in Prague, gave a lecture on **Proprietary Rights vs. So-Called Public Interest**.

The U.S. Embassy in Slovakia, AmCham and Europe&Democracy foundation sponsored the CEQLS lectures in 2006.

In 2006, CI paid systematic attention to **the issues of education and schools**. Ms. Zuzana Humajová was the CI co-ordinator of activities in this area.

On March 27th, 2006, the Regional School Authority in Prešov organized a conference on educational reform called **Let's Learn How to Learn – We Learn for the Life**. Mr. *Peter Zajac*, the CI President, Ms. *Zuzana Humajová*, CI analyst for education issues, Mr. *Martin Fronc*, Member of Slovak Parliament (Christian-Democratic Movement), Mr. *Pavol Černek* a Mr. *Martin Kríž*, both from Štátny pedagogický ústav (National Pedagogical Institute) gave lectures on this conference.

On April 21st, 2006, Konrad Adenauer Foundation organized a discussion on the **Draft of Education Act** in the Faculty of Arts of UKF in Nitra. Ms. Zuzana Humajová, Mr. Martin Fronc and Mr. Martin Kríž took part in the discussion.

On May 30th, 2006, Ms. *Zuzana Humajová* took part in the discussion within the seminar called **Youth Education**, which organized Iuventa in co-operation with the Ministry of Education of the Slovak republic in Bratislava.

Between November 10th and 12th, 2006, Ms. *Zuzana Humajová* participated in an international conference called **Innovations for Schools**, organized by the Association Orava for Democracy in Education; she introduced the outcomes of the analysis called **Rader's Literacy As the Education Quality Problem in Slovak Primary Schools**, which form a part of CI outcomes in the educational policy issues. She took part in the discussion with the proposal of reform progress policy for the regional schools and with the draft of new Education Act.

On November 15th, 2006, the U.S. Ambassador in Slovakia, Mr. *Rodolphe Vallee* introduced in Bratislava the **Initiative of the U.S. Embassy for the Higher-Degree Education Area**, which will concentrate the effort on intensification of co-operation between American and Slovak universities related to joint research and study schemes and on the strengthening of the partnership between the private sector and universities in Slovakia. CI participated on this project also.

During 2006, Ms. *Zuzana Humajová* gave regularly her opinions on the educational issues for the media.

In 2006, CI started the execution of the project called **Education for Life. Preparation of Teachers for Changes in Educational System and the Labor Market Demand (a pilot educational training scheme)**. In 2006, mainly analytical and preparatory activities took place within the project, which continues in 2007. Ms. *Zuzana Humajová* was the project manager. The project progressed thanks to the grant from the European Social Fund.

In 2006, CI executed the project called **Rader's Literacy as the Education Quality Problem in Slovak Primary Schools**. Ms. *Zuzana Humajová* was the project manager. The project was executed thanks to the grant from the Open Society Foundation and it continues in 2007.

Conferences, Seminars and Conservative Clubs

In 2006, CI performed various conferences, seminars, Conservative Clubs and lectures with discussions.

On February 24th, 2006, CI in co-operation with the Educational Policy Center organized a discussion on **Draft of New Education Act, the Legislative Framework for the Educational Reform**. Mr. *Martin Fronc*, the former Minister of Education and the draft promoter, Mr. *Peter Tatár*, the Chairman of the Civic Conservative Party (OKS), Ms. *Zuzana Humajová*, CI analyst, Mr. *Pavol Černek* from the National Pedagogic Institute and Mr. *Martin Kríž* from the civic association Educational Reform participated therein. Mr. *Ondrej Dostál*, CI director, moderated the discussion.

On March 9th, 2006, CI, in co-operation with SKOI and Association for Social Reform, organized the conference called **How to Deal with Long-Term Unemployment and Poverty? Social Reform in Terms of Slovakia and the U.S.** in Pálffy Palace in Bratislava. The **Draft of Welfare Reform in Slovakia** was introduced in this conference; the authors of this work are the CI analysts *Peter Gonda*, *Michal Novota* and *Ondrej Dostál*. The following persons participated in the

discussion on alternative drafts of the welfare reform in terms of Slovakia: Ms. *Iveta Radičová* (Minister of Labor, Social Affairs and Family), Mr. *Ted Abram* (the Managing Director of the American Institute for Full Employment), Mr. *Bill Baker* (Association for Welfare Reform), Mr. *Richard Sulík* (independent expert), Mr. *Peter Tatár* (Permanent Conference of Civic Institute) and Mr. *Peter Gonda* (CI analyst).

On March 20th, 2006, CI organized a seminar on **Judicial System Reform in the Slovak Republic** in Bratislava. The **Draft of Judicial System Reform in the Slovak Republic** written by Mr. *Ernest Valko* was introduced in the seminar. Mr. *Radoslav Procházka*, the agent of the Slovak Republic in the processes at EC courts, and Mr. *Jozef Vozár*, a lawyer, discussed on the reform draft with the author.

On May 23rd, 2006, CI organized a seminar called **Should the Privileges of Members of Parliament be Maintained, Reduced or Cancelled?** The constitutional lawyers, Mr. *Ján Drgonec*, Mr. *Peter Kresák* and Mr. *Ernest Valko* discussed together the topic.

CI organized in co-operation with *.týždeň*, a weekly, the lecture of the world-wide known American philosopher, theologian and political scientist of **American Enterprise Institute** in Washington, D.C., Mr. *Michaela Novak*, called **Oh Europe!**, which took place in Bratislava on July 10th, 2006.

The 23rd Conservative Club took place in Pállfy Palace in Bratislava on September 11th, 2006. The topic of this Club was **9-11-2001 – The World Status Five Years After**. In the discussion with Mr. František Šebej, Mr. Daniel Bútorá and Mr. Tomáš Zálešák, we reminded the 5th anniversary of the biggest terrorist attack against the U.S.

On November 7th, 2006, the 2nd environmental conference of M. R. Štefánik Conservative Institute called **Alternatives for Development of Forest Industry in Slovakia** took place in Ružomberok. The conference made emphasis on the economical aspects of the forestal industry development; mainly on two areas, which affect significantly the growth potential of the forest industry in Slovakia: the government restrictions on the business environment and the national government ownership in the forest industry.

On November 9th, 2006, the Conservative Club took place in Pállfy Palace in Bratislava, dealing with the topic called **The First Budget of Fico's Government: Is the Satisfaction OK?** Mr. *František Palko*, the Deputy Finance Minister, Mr. *Ján Oravec*, the President of the Association of the Entrepreneurs of Slovakia and Mr. *Peter Gonda*, the CI economist, participated on the discussion at the Conservative Club on the Public Budget for the years 2007 to 2009; Mr. *Robert Žitňanský*, from the *.týždeň* weekly, moderated the discussion. The *.týždeň* weekly was the medial partner of the Conservative Club.

On November 16th, 2006, the introduction of *Vladimír Palko's* book **Bernard Jaško et al.** on political tribunals in 1950's took place in V-Klub in Bratislava. CI, Nation's Memory Institute and the civic association Hlbiny organized this

introduction. Subsequently, the discussion on **What Remains from the Hopes of November 1989** followed. Mr. *František Mikloško*, Mr. *Vladimír Palko*, Mr. *František Šebej* and Mr. *Ondrej Dostál* participated therein. The Editor in Chief of the .týždeň weekly, Mr. *Štefan Hríb*, moderated the discussion.

On November 19th and 20th, 2006, the former Deputy Foreign Minister of Canada, Mr. *David Kilgour*, visited Slovakia. The internet daily *Veľká epocha* and CI organized together his lecture **on the situation of the human rights in China**; the event took place on November 20th, 2006 in V-Klub.

On November 21st, 2006, CI and the Management University (VŠM) organized together the lecture of the professor *Jozef Kelemen* on **Culture, Science and Technology of the Knowledge-Based Society**; this event took place within the “2006 Science Week“ in the facilities of VŠM in Petržalka in Bratislava.

Lectures, Introductions and Appearances

CI analysts and fellows also gave specialized lectures events organized by other institutions and participated in public discussions.

On February 17th, 2006, Mr. *Ondrej Dostál* gave a lecture called **The Conservative View on Poverty** within the seminar **Social Doctrine of the Church and Efficient Fight on Poverty**. The Forum of Christian Institutions organized this seminar in Bratislava.

On March 23rd, 2006, the CI analyst Mr. *Dušan Sloboda* discussed with the Deputy Mayor of Košice Mr. *František Knapík* and the Member of Bratislava Regional Parliament Mr. *Peter Tatár* in Košice at the SKOI discussion club on the topic called **Rich State – Rich Town? Decentralization, Regions and Politics**. Mr. *Peter Schutz* moderated the discussion with the citizens.

On April 20th, 2006, Mr. *Ondrej Dostál* as the co-ordinator of the Initiative Against the European Constitution gave lectures on the topic called **Does Slovakia Need a Euroconstitution?**

On May 9th, 2006, Mr. *Peter Gonda* participated on the meeting of the International Club. He gave a lecture called **Economical Liberalism: Obvious and Useful** and discussed on the topic of **Liberal vs. Welfare Market Economy** with the Minister of Finance of the Slovak Republic and Slovak Democratic and Christian Union (SDKÚ) Vice-Chairman, Mr. *Ivan Mikloš*, Member of European Parliament and Vice-Chairman of SMER-SD (social democracy) Mr. *Vladimír Maňko* and the scientist from the Institute for Economics of the Slovak Academy of Sciences Mr. *Peter Staněk*.

On September 23rd, 2006, Mr. *Peter Gonda* gave lecture on the topic of **Problems and Risks or the European Economic Integration** at the KDMS conference.

On September 28th, 2006, he gave a lecture on the topic of **A View on Potential Aftermaths of the Introduction of Euro in Slovakia** on the conference named **The Impact of Euro on Retail and Consumers** organized by COOP Jednota Slovensko in Bratislava.

On October 19th, 2006, he and Mr. *Tomáš Zálešák*, the fellow worker of CI, were guests of SKOI in Zichy Palace in Bratislava. The topic of a seminar for members and sympathizers of ODM and KDMS was on **Conservatism in Politics and Economics**.

On October 28th, 2006, Ms. *Zuzana Humajová* was one of the participants in the **Discussion on Cuba**, which took place in Bratislava within the framework of **Medzinárodný festival dokumentárnych filmov Jeden svet / One World**.

On November 28th, 2006, Mr. *Peter Gonda* participated in the discussion named **Euro 2006 – the Challenges and Risks of the Entry of Slovakia into Eurozone**, which took place in the lecture hall of the Economic University in Bratislava. Upon invitation of the discussion organizers (Civic Democratic Youth and Students' parliaments of the Economic University in Bratislava), also Mr. *Vladimír Tvaroška*, the former Deputy Minister of Finance of the Slovak Republic and Mr. *Martin Šuster* from Národná banka Slovenska were the another participants in the discussion.

On November 28th, 2006, Ms. *Zuzana Humajová* and the CI fellow workers, Ms. *Zuzana Klačanská* and Mr. *Martin Hanus* gave their views in the conference called **Multiculturalism in Slovakia: Reality or Fiction; Perspective or Threat?**, which took place in Primaciálny Palace in Bratislava. Milan Šimečka Foundation was the organizer of the conference.

On December 4th, 2006, a discussion on the topic of **Multi-Speed Europe: A Chance for Further Integration or Step to the EU Segregation?** took place in the facilities of the SFPA library. Mr. *Ondrej Dostál* and Mr. *Tomáš Kozák* from the Ministry of Foreign Affairs of the Slovak Republic were the guests of Mr. *Radovan Geist*, editor in chief of EurActiv.sk, who moderated the event.

Analyses, Studies and Reform Drafts

In 2006, CI analysts and fellow workers published in media and CI website their articles, analyses and studies related to economics, social policy, school system, agriculture, environment protection, public administration, regional development, civic society, national minorities, European integration and foreign policy. At the same time, the introduced various reform drafts and concepts.

On February 13th, 2006, Mr. *Martin Fronc*, the former Minister of Education and Vice-Chairman of the Christian Democratic Movement, Mr. *Peter Tatár*, the

Chairman of the Civic Conservative Party and Ms. *Zuzana Humajová* introduced the joint **draft of new education act**, which should define clearly the key changes needed in our educational system.

On February 16th, 2006, Institute for Public Affairs published the book **Slovakia 2005. A Global Report on the State of Society**. Also the CI analysts are the co-authors of this publication. Mr. *Ondrej Dostál* wrote the Chapter on national minorities and Mr. *Radovan Kazda* that on agriculture and forest industry.

On March 7th, 2006, a press conference on the study named **Draft of Welfare Reform in Slovakia** took place in Bratislava. The authors of the publication are the CI analysts Mr. *Peter Gonda*, Mr. *Michal Novota* and Mr. *Ondrej Dostál*.

In March 2006, CI published the study of its fellow worker Mr. *Michal Novota* named **The Welfare State Reform. Experience from the U.S. Welfare Policies Progress and Their Potential Application in Slovakia** on CI website.

On March 20th, 2006, **The Draft of Judicial System Reform in the Slovak Republic** written by Mr. *Ernest Valko* was introduced in the CI seminar in Bratislava.

In May 2006, a study called **Slovakia and the Regional Disparities**, whose author is Mr. *Dušan Sloboda*, was published. The study includes the view on theories, regions, indicators and methods of research of the regional disparities used not only in Slovakia.

A study of CI called **Slovakia – A Country of Parliamentarians** on the number of municipal representatives in Slovakia, whose author in Mr. *Dušan Sloboda*, was published on September 24th, 2006.

In September 2006, CI published the study of its fellow worker Mr. *Michal Novota* called **European Welfare Model – Trends and Risks of the European Welfare Integration** on the CI website.

A study of Ms. *Zuzana Humajová* named **The Democratic Transformation of Cuban Educational System**, which includes reflexions on the reform concept of Cuban experts on education, was published in October 2006.

A study of Mr. *Radovan Kazda* named **Basic Points of the Forest Industry Reform in Slovakia** was a part of the CI publication **Alternatives of Development of the Forest Industry in Slovakia**, issued in December 2006.

Communication Activities of CI

Also in 2006, CI operated the website **www.konzervativizmus.sk**. By the mean thereof, as well as by e-mails to wide group of people interested on CI activities, CI provided the information thereon and on further affairs related with the issues of

conservatism. CI operated also the English version of its website at **www.institute.sk**. Furthermore, CI operated in 2006 the specialized websites **www.usainfo.sk** (dedicated to information on the U.S. society and politics and on Slovak-U.S. relationship) and **www.euroustava.sk** (dedicated to issues of the European constitution). Mr. Dušan Sloboda was the CI websites administrator.

In 2006, CI published monthly its newsletter called **Konzervatívne listy**. Authors from among the staff and fellow workers of CI publish their analyses, studies and comments on current issues, drafts of new laws and various affairs of public policy therein. Also the information on CI activities and happening within the Slovak and foreign conservative communities can be found there. In 2005, 12 numbers of *Konzervatívne listy* were issued. Mr. Radovan Kazda was the editor of *Konzervatívne listy*.

CI analysts and fellow workers published articles in professional and other media, gave their opinions for media and participated in several discussions in electronic media.

In 2006, CI issued three publications. The publication **The Draft of Judicial System Reform in the Slovak Republic**, written by CI fellow worker Mr. *Ernest Valko*, was issued in March 2006. In May 2006, CI issued the English version of the publication called **Draft of Welfare Reform in Slovakia**, written by Mr. *Peter Gonda*, Mr. *Michal Novota* and Mr. *Ondrej Dostál*. In December 2006, CI issued the publication called **Alternatives of Development of the Forest Industry in Slovakia** (ed. *Radovan Kazda*), which is a collection of articles from CI conference held in Ružomberok on the same topic in November 2006.

Support for Culture and Art

On March 21st, 2006, the **Dominik Tatarka's Prize for 2005** was awarded solemnly in Pálffy Palace in Bratislava. The Jury of Dominik Tatarka's Prize and CI awarded the Prize to Mr. *Tomáš Janovic* and his book **Maj ma rád**.

Dominik Tatarka's Prize is considered to be the most prestigious Slovak prize for literature and it is dedicated to the author for an exceptional work, which meets the humanistic traditions of Slovak culture and links thereby to the intellectual heritage of the writer Dominik Tatarka. The prize is awarded every year from 1995, always for a book published in the previous year.

On June 15th, 2006, CI, Milan Šimečka Foundation and G plus G (a publishing house) organized together in Bratislava the public introduction of the book **Pavel Hoffmann: The Memories**. Mr. *Fedor Gál* and Mr. *Lubomír Feldek* introduced the book.

CI Library

In 2006, CI worked systematically on the project of CI Conservatism Library – Documentary Center. The goal of CI is to build up a documentary basis containing the fundamental works with conservative orientation, conservative magazines, professional texts on conservatism, literature, analyses and studies from different areas of public policy, which would become a professional information base for expert and analytic teams of CI staff, fellow workers and Board of Directors. The library contains CI publications and simultaneously it is being completed with foreign and national volumes oriented on conservatism and classical liberalism. With regard to the extension of the library, we established closer co-operation with the partner think-tanks from abroad. Mr. Dušan Sloboda was the co-ordinator of the project of Conservatism Library.

Civic Activities of CI

On January 18th, 2006, a public oral session of the 2nd Senate of the Constitutional Court of the Slovak Republic was held in Košice in the case of constitutional complaint lodged against the ratification of the European constitution. Mr. *Ondrej Dostál* as the co-ordinator of the Initiative Against European Constitution and the CI Director, is the author of the text of the constitutional complaint. Within the session, the opinion of the National Council of the Slovak Republic dated on August 25th, 2005 (No. 1100/2005) on the constitutional complaint against the ratification of the European constitution has been read as well as the opinion of the complainant on the opinion of the National Council of the Slovak Republic on the constitutional complaint against the ratification of the European constitution. The Constitutional Court of the Slovak Republic has respited the session to an indefinite date.

In its session between January 23rd and 27th, 2006 in Strasbourg, the Parliamentary Assembly of Council of Europe discussed also the need of condemning of the crimes committed by the communist régimes. CI supported the approval of the resolution of the Council of Europe against the crimes of communism and called the Slovak citizens who share the democratic ideas to support the petition for the approval of this resolution.

In February 2006, CI supported the petition for purging of the judiciary system and joined the declaration of the petition committee, who expressed the concerns about the news on another sentence in the case of judge vs. media, where the claim of the judge, in this case the former President of the Supreme Court Mr. Štefan Harabín, was recognized for apology and indemnification for non-material detriment equal to SKK 3,000,000.00.

On June 6th, 2006, CI and another civic associations called the political parties to make the compromise to submit, right on the first session of the Parliament after the elections, a draft for cancellation of senselessly high administrative tax in case of soliciting legal protection against the unlawful decisions of the ministries, central authorities of the Government and the authorities with competence for the entire

national territory. This tax became applicable due to approved modification draft of the amendment of the law on judicial taxes.

Various persons around CI became co-signers of the **Civic Call Against Limitation of Freedom of Information on Activities of the Government of the Slovak Republic** on August 8th, 2006.

A group of citizens including persons from CI environment, asked the members of the parliament to select for the President of the Board of the Nation's Memory Institute a person, who has clear and unambiguous opinion on both totalitarian régimes existing in the Slovak territory during the 20th century.

At the same time, the persons from CI environment became signers of **declaration against extremism and nationalist animosities** in August 2006; one of the initiators was the CI President Mr. Peter Zajac.

In September 2006, Mr. *Peter Gonda* take a part on preparation of the economic arguments in favor of the **declaration on fiscal sovereignty**, submitted in the National Council of the Slovak Republic by its members elected under Christian Democratic Movement. CI supported the approval of such declaration.

On October 10th, 2006, CI joined the **Call Related to Election of New Judges of the Constitutional Court of the Slovak Republic**. The parliament was electing, on its October session, the candidates for judges of the Constitutional Court of the Slovak Republic. The Call asked both members of parliament and the President to choose judges who are recognized experts with wide trust and whose acts and opinions in the past and now will guarantee that they will always stay on the side of democratic state, the rule of law and will protect the basic rights and freedoms.

A collective comment on the draft of act cancelling the Special Court and Special Public Prosecution Office was published on November 24th, 2006. CI joined to the collective draft.

Mr. Ondrej Dostál was the co-ordinator of the civic activities.

Foreign Activities of CI

Ms. *Zuzana Humajová* visited Cuba in February and March 2006. The goal of this visit was to meet the representatives of the independent Cuban organizations dealing with education and to introduce them the process of changes of the Slovak educational system started in 1989 as well as the discussion on unavoidable future changes of the Cuban educational system. The civic association Človek v ohrození and Pontis Foundation organized the trip to Cuba.

In April 2006, CI became, represented by Mr. *Peter Gonda*, one of the signers of the **Petition Against Harmonization of Consumption Taxes within EU**. We also joined the **Petition Against the Efforts of the European Commission for**

Introduction of Common Consolidated Corporate Tax Base. Lithuanian Free Market Institute co-ordinates the both Europewide initiatives.

Between June 29th and July 1st, 2006 third meeting of **Resource Bank Europe** took place in Vienna, where participated more than 250 representatives of think-tanks from different parts of the world. Mr. *Peter Gonda* and the CI fellow workers Mr. *Michal Novota* and Mr. *Silvester Bizoň* participated there in behalf of CI. In this meeting, the CI analysts made contacts with similar organizations acting in the U.S. and Europe. They also introduced the CI publication **Draft of Welfare Reform in Slovakia**. The CI analysts are also signers of the joint declaration of the think-tanks, which expresses concerns about authoritarian tendencies of the government in Russia, which limit the local NGOs and expresses the solidarity with the Russian NGOs.

Between September 15th and 17th, 2006, Mr. *Peter Gonda* participated on an international seminar **The Free Market instead of the Welfare State: Lessons from US and EU** in Broumov, Czech Republic, which was organized by Liberal Institute and Foundation for Economic Education.

Between October 5th, and 8th, 2006, Mr. *Dušan Sloboda* and Mr. *Luboš Mikuška* represented CI in the seminar on **The Problems for Post-Communist Countries in the Context of the European Union**, which took place in Bled, Slovenia. **CRCE**, seated in London, UK, organized the meeting of representatives of think-tanks from Central and Eastern Europe, Great Britain and the U.S.

On November 13th, 2006, Mr. *Peter Gonda* participated in the international conference on **The Future of the European Union. Where do we go now?**, organized in Prague jointly by The European Foundation (UK), Center for Economics and Policy (Czech Republic) and The Foundation for Economic Education (U.S.).

Between November 16th and 19th, 2006, Mr. *Peter Gonda* and *Luboš Mikuška*, together with another CI fellow workers, participated in the international conference called **Exploring F. A. Hayek and The Road to Serfdom**, organized by Neuwaldegg Institute in Vienna, Austria.

Mr. Dušan Sloboda was the co-ordinator of the foreign activities.

CI Economy

In 2006, the non-investment foundation of M. R. Stefanik Conservative Institute has had the total income of SKK 1,763,375.00 and total expense of SKK 2,432,684.00.

In 2006, CI received four donations and contributions totaling SKK 260,000.00, which represented 16% of its total income. Mr. Tibor Takáč as natural person donated CI an amount equal to SKK 10,000.00 (almost 1% of the CI total income). This donation was dedicated to the support of the contest of students' essays (the contest was evaluated in 2007). A donation of SKK 100,000.00 (6 % of the CI total income)

was provided to CI by one legal person – EXE, s.r.o. In 2006, CI received the donations from two legal persons: Mondi Business Paper SCP, a.s., and SLOWOOD Ružomberok, a.s.. These companies donated CI SKK 75,000.00 each (total SKK 150,000.00, i.e. 9% of the CI total income). These donations were dedicated to the costs related with the conference on Alternative Development of the Forest Industry and the related activities.

In 2006, the CI income from the paid income tax 2-% assignation totaled SKK 301,354.00, representing 17% of the CI total income in that year.

In 2006, CI received SKK 1,140,576.00 in form of grants from foundations and similar sources. This represented 65% of its total income. An income totaling SKK 58,110 constituted two payments in favor of CI from the grants of Atlas Economic Research Foundation (U.S.) dedicated for the support of issue of the English version of the publication Draft of Welfare Reform in Slovakia and the participation of CI representatives in the meeting of more than 250 representatives of think-tanks from different countries in Vienna, Austria. The Czech foundation Europe & Democracy donated to CI a grant totaling SKK 65,356.00 for the execution of the lectures within CEQLS cycle. An income equal to SKK 15,000.00 constituted for CI the additional payment for the Ekopolis foundation grant dedicated to the CI project called Reduction of Corruption Risks in Environment Protection Management, which run in 2004 and 2005 (Ekopolis paid the additional payment after the settlement of the project costs). CI received an income of SKK 340,000.00 by the mean of the grant from SPP Foundation dedicated to the project called Think Economically, which started up in 2007. The total income of CI from Open Society Foundation was equal to SKK 407,260.00 in 2006. This income consisted from two grants: third payment of the grant for support of the project of M. R. Stefanik Conservative Institute Institutional Development equal to SKK 307,260.00 and the second payment of the grant dedicated for support of the Reader's Literacy As the Education Quality Problem in Slovak Primary Schools project, equal to SKK 100,000.00. The Pontis Foundation grant equal to SKK 239,600.00 represented an income for CI; it was donated within the program of Partnerships for Development program and financed mainly the communication activities (Konzervatívne listy, websites) and some operative costs. A grant from the U.S. Embassy in Slovakia equal to SKK 15,250.00 was dedicated for the support of one of the lectures within CEQLS cycle.

The remaining CI incomes in 2006 totaled SKK 61,265.00 (3% of the total income). These were mainly the incomes from the sale of publications (SKK 3,932.00), from organization of educational events and conference participation fees (SKK 28,800.00), bank account interests (SKK 941.00) and another incomes (overpayments for energies, phone and return of part of the flight ticket price for the family of the lecturer within CEQLS) totaling SKK 27,592.00.

CI expenses in 2006 were used to ensure the activities meeting the goal of this non-investment foundation (SKK 2,291,234.00, i.e. 94 % from its total expenses) as well as for it's administration (SKK 141,450.00, i.e. 6% from its total expenses).

As far as the individual projects and activities concerns, the CI expenditure was structured as follows:

Expense for activities of the project of Milan Rastislav Štefánik Conservative Institute Institutional Development in 2006 totaled SKK 418,273.00, for CEQLS project SKK 172,666.00, for Education for Life project SKK 897,013.00 and for Reader's Literacy As the Education Quality Problem in Slovak Primary Schools project SKK 205,601.00. The CI expense for activities supported by the grant from Pontis Foundation within Partnership for Development programs totaled SKK 228,270.00 in 2006. The costs for publishing of Draft of Welfare Reform in Slovakia in English represented SKK 45,306.00 and for the participation of the CI representatives in the meeting of more than 250 representatives of think-tanks from different countries in Vienna, Austria, CI has paid SKK 44,897.00. The costs of CI conference on the forestal industry and the publication of the collection of its text totaled SKK 161,177.00, the costs for CI activities within the Initiative Against European Constitution totaled SKK 1,175.00, the costs related with Michael Novak's lecture totaled SKK 18,098.00 and those for activities related to the educational reform totaled SKK 8,310.00. The costs related with awarding of Dominik Tatarka's Prize in 2006 represented SKK 66,708.00.



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