

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

Annual Report 2005

**Bratislava
2006**

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 4, 1999. It was registered at Regional Authority in Bratislava on June 2nd, 1999, under no. 99/602/87 – NF. Ján Králik is the establisher of CI. Peter Zajac (the Chairman), Ján Králik (Deputy Chairman) and Vladimír Čečetka (a member) constitute the **Board of Directors of CI. 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 2005.

In 2005, there were six **employees** in CI: it's administrator and director Ondrej Dostál, macroeconomist Peter Gonda, project manager Dana Feketeová, communication manager and analyst for agricultural and environmental issues Radovan Kazda and co-ordinator of foreign relations, CI website administrator and analyst for regional policy and public administration issues Dušan Sloboda. That year was enrolled into CI also Zuzana Humajová as analyst for educational issues. 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 2005, 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 2005, CI continued with the implementation of the project of **Institutional Development of Conservative Institute of Milan Rastislav Štefánik.** 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 of it's 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. Radovan Kazda and 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 2005, CI started to organize quarterly lectures of important foreign economists within the cycle of **Conservative Economic Quaterly Lecture Series (CEQLS)**. Three lectures were carried out in 2005. Peter Gonda was the project co-ordinator.

Together with CATO Institute, CI organized the first lecture within CEQLS on June 15, 2005. The following lecturers dealt with the topic of **Impacts of Slovakia's Admission to EMU: Marian L. Tupy**, Deputy Director of the World Economic Freedom Project in CATO Institute, Washington, D. C. and **Peter Gonda**, CI economist.

On October 17, 2005, the second lecture within CEQLS took place in Bratislava. **Tax Harmonization vs. Competition in EU** was the topic of **Daniel J. Mitchell**, the main expert of The Heritage Foundation, Washington, D. C. in the area of tax policy.

The third lecture took place in Bratislava on December 8, 2005. CI invited to Bratislava **William A. Niskanen**, the director of The CATO Institute. He was the guest of CEQLS winter lecture on **Alternative Political and Economical Futures of Europe**.

In 2005, CI continued with the execution of project called **Reduction of Corruption Risks in Environment Protection Management** aimed to analysis of governmental system of the environment protection from the point of view of conditions for corruption potential occurrence. A conference took place and publication was issued within this project. Radovan Kazda was the project co-ordinator. The project was executed with the support of Ekopolis foundation.

Within the project, a conference **Environmental Policy in Slovakia (possibilities of increase of transparency and efficiency in environment protection management)** has taken place in Ružomberok on April 19 and 20, 2005. The following lecturers spoke on the conference: Emília Sičáková-Beblavá, the President of Transparency International Slovensko, Mário Kern from the Slovak Republic Police Presidium, Tereza Urbanová, analyst of Liberal Institute in Prague, Vladislav Bízek, Director of DHV of the Czech Republic and fellow worker of CEVRO – Liberal and Conservative Academy, Viliam Kunzo, a breeder, Oľga Šotolová, environmental manager of Mondi Business SCP, a.s., Radovan Pekník, SLICPEN (Slovak Industrial Association for Packaging and Environment), Jiří Oliva, Department of Forestal Economics and Management of FLE ČZU, Czech Republic, Jozef Vlčák, Association of Non-Governmental Owners of Forests, Pavel Rensa, Taxace ČR, Marcel Zajac, Ekopolis Foundation, Hana Zach, Slovak Agricultural University Nitra, Dušan Sloboda, CI analyst, Boris Minárik, Hydromeliorácie, š.p. Bratislava and Jaroslav Demko, director of Severoslovenská vodárenská spoločnosť, o.z. Ružomberok.

In August, CI issued a publication called **Transparency and Environmental Politics**, dealing with affairs related to the transparency of execution in environmental politics. This publication is based on the conference and includes the collection of presentations from the conference and the studies of CI analysts, Radovan Kazda and Dušan Sloboda, who are dealing with the corruption risks in the environment protection in Slovakia and such risks related to the support of environment protection by the mean of the structural funds in the EU. Mondi

Business SCP, a.s. contributed moneywise to this conference and the publication issue.

In August, CI started the website www.USAINFO.SK as a part of the **American Liberty Scheme**, which presents numerous activities carried out by CI within various partial projects and different areas within the scope of its activities. Within this scheme, CI dedicates its systematic effort to the following issues: relations between Europe and America, relations between Slovakia and the U.S., the action of the U.S. in international policy and its value-based background, American concept of liberty and basic values shared by the U.S. society. The U.S. Embassy in Slovakia supported moneywise the development of this web page. Dušan Sloboda was the project co-ordinator.

In 2005, CI continued in activities within a project called **Tax Reform and Position of Non-Profit Organizations Therein**, dedicated to the issues of legislative position of the non-profit sector, mainly to the issues of Income Tax Act, the intention of the Ministry of Finance to change the conditions for assignment of 2% of the tax and discussion on the approval of so-called Non-Profit Sector Code. CI participated on activities and public presentations of the NGO initiative called "Citizens for Themselves". Ondrej Dostál was the CI co-ordinator in this area. The project was executed with the support of Ekopolis Foundation.

In 2005, CI paid systematic attention to the issues of **Educational Reform**. Zuzana Humajová was the KI co-ordinator of activities in this area.

On November 3, 2005, a conference called "Funding of Regional School System – Funding for Children" under the auspice of Ministry of Education of the Slovak Republic was held by F. A. Hayek Foundation. Also Zuzana Humajová lectured in this conference, presenting the **Free School – Education for Real Life**.

On November 7, 2005, Zuzana Humajová discussed with the Minister of Education of the Slovak Republic, Martin Fronc and Martin Kríž from the National Institute for Education on **educational reform** in SKOI discussion forum in Košice.

On November 19, 2005, Zuzana Humajová lectured on the topic of **Education Content Reform – the Way to Free School** in a nationwide conference "Innovations in the School" organized by Orava Association and Center for Educational Policy in Podbanské.

On November 23, 2005, a regular SKOI discussion forum took place on **educational reform** in Stoka Theater in Bratislava. František Šebej hosted the Minister of Education of the Slovak Republic Martin Fronc, CI analyst **Zuzana Humajová** and Martin Kríž from the National Institute for Education.

In 2005, the preparation of projects in the area of schools and education to be carried out in 2006 started.

Conservative Clubs, Conferences, Lectures and Presentations

Conservative Clubs, mostly with participation of young people, were held in CI also in 2005. In 2005, there were four conservative forums with the following topics and participants:

On February 7, 2005, a conservative club was held on **New Penal Code – the Most Discussed Issues**, organized in co-operation with The Society for Higher Learning in Bratislava. The topics were: on so-called Auschwitz Lie and on penal responsibility of corporations. Guests: Daniel Lipšic, Minister of Justice, Peter Osuský, Vice-Rector of Comenius University and Deputy Chairman of Civic Conservative Party, ex-member of National Council of the Slovak Republic in 1998-2002, author of the Penal Code section on so-called Auschwitz Lie, Peter Weiss, university teacher and Darina Michalková, Deputy Chairman of the Slovak Bar Association. Ondrej Dostál was the moderator.

On June 8, 2005, CI organized the jubilant 20th conservative club on actual topic: **Forest Act – Why the Critique Come from the Both Sides?** Zsolt Simon, Minister of Agriculture of the Slovak Republic, Ján Ďurský, General Director of Forestry Section of Ministry of Agriculture of the Slovak Republic, Róbert Oružinský, forestal engineer of platform of environmental NGOs for NATURA 2000 and Juraj Vanko, the Chairman of Union of Regional Associations of Owners of Non-State Forests in Slovakia. Radovan Kazda was the moderator.

The 21st conservative club place in Bratislava on September 14, 2005. The topic of **Education System Reform** was discussed with Martin Fronc, the Minister of Education of the Slovak Republic, Ján Pišút, profesor of physics in Comenius University and former Minister of Education in 1990-1992, Miron Zelina, the Director of the Institute of Humanities in the Faculty of Education of Comenius University in Bratislava, Attila Fodor, the Director of non-profit organization Comenius – Institute for Education of J. Selye University in Komárno and Zuzana Humajová, CI analyst. Peter Zajac, the President of CI, was the moderator.

The 22nd conservative club took place in Bratislava on October 3, 2005. Peter Gonda, CI economist, discussed with Vladimír Tvaroška, the Deputy Minister of Finance of the Slovak Republic on the topic of **National Budget for the Election Year**. Robert Žitňanský, an editor of .týždeň, was the moderator.

Besides the conservative clubs and conferences carried out within the projects, CI organized the following activities in 2005:

On March 15, 2005, CI and Center for European Policy (CEP) organized in Pálffy's Palace in Bratislava a conference **European Constitution: Pros & Cons**, where the following political and societal representatives gave lectures: Vladimír Palko, the Minister of Interior and Deputy Chairman of Christian Democratic Movement (KDH), Pál Csáky, Deputy Prime Minister and Deputy Chairman of Party of Hungarian Coalition (SMK), Viliam Karas, a lawyer of University of Trnava, Peter Osuský, Vice-Rector of Comenius University and and Deputy Chairman of Civic

Conservative Party (OKS), a member of Initiative against European Constitution and Ivan Štefunko, Chief Editor of weekly magazine Slovo.

The Institute of International Relations of Bratislava at Vysoká škola manažmentu – City University in Bratislava and CI organized an international conference **The Economic and Political Context of Central Europe - European Union Relations /Central Europe - a Partner or an Appendix of the European Union?/** at Vysoká škola manažmentu – City University in Petržalka (Bratislava) on June 14, 2005.

On June 27, 2005 in Bratislava, KI with the weekly magazine .týždeň organized the lecture of **Michael Novak**, well known American philosopher, theologian and political scientist working in the American Enterprise Institute in Washington, D.C. Michael Novak gave lecture on the topic of **Capitalism and Catholic Church – Concordate or Enemies?** František Šebej, editor of .týždeň and KI fellow worker, introduced Michael Novak and was the moderator of the discussion.

On October 4, 2005, CI organized, together with internet daily newspaper The Epoch Times, a conference **The Red Wall is Falling**. The discussion was mostly on communism in China. The lectures were given by Steve Ispas, Marketing Manager of The Epoch Times, Ján Čarnogurský, a lawyer, ex-dissident, who was Slovak Prime Minister in 1991-1992, Lord Thurlow, a diplomat, ex-deputy Minister of Foreign Affairs of United Kingdom, František Mikloško, member of National Council of the Slovak Republic (KDH), ex-dissident and co-editor of the book “Crimes of Communism in Slovakia in 1948-1989“, Norbert Kmeť from Institute of Political Sciences in Slovak Academy of Sciences, Man-Yan Ng, Deputy Director of ABB and member of Board of Directors of IGFM in Germany and Peter Osuský, Vice-Rector of Comenius University in Bratislava and Deputy Chairman of Civic Conservative Party.

On November 10 to 12, 2005, CI organized, with Civic Institute, Prague and SKOI, the seminar called **Forms of Conservatism** in Piešťany. The lectures were given by following contributors: Vojtech Belling, an analyst of Civic Institute in Prague, Jaroslav Daniška, fellow worker of CI and editor of Impulz magazine, Jiří Georgiev, expert of the Committee of Senate of Parliament of the Czech Republic for European integration, Peter Gonda, economist of CI, Roman Joch, the Director of Civic Institute in Prague, Peter Martinovič, a lawyer and Deputy Chairman of Young Conservatives, Vladimír Palko, the Minister of Interior of the Slovak Republic and Deputy Chairman of Christian Democratic Movement (KDH), Katarína Podracká, political scientist and CI fellow worker, Maciej Ruczaj, a journalist, Ulrich Wollner, special assistant in Department of Philosophic Sciences of the Faculty of Humanitarian Sciences of Matej Bel University in Banská Bystrica and Peter Zajac, the President of CI.

Analyses and Studies

In 2005, 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. CI analysts also gave lectures on these areas in different events and participated in public discussions.

In January 2005, the CI study called **Fiscal Decentralization and Municipalities**, whose authors are Dušan Sloboda, CI analyst and Jozef Čavoječ, daily newspaper SME editor, was published.

In January 2005, Institute for Public Affairs published the book **Slovakia 2004 – A Global Report on the State of Society**. Several CI analysts co-operated in this publication. Ondrej Dostál is the author of the chapter on Ethnic Minorities, Peter Gonda of the chapter on Public Finance and both of them wrote together the chapter on Social Policy. Radovan Kazda is the author of the chapter on Agriculture.

On March 3, 2005 CI published the study of CI analysts Dušan Sloboda and Ondrej Dostál called **Regional Alternative 2005 – A Draft of Territorial Division of the Slovak Republic**. CI proposed the change from 8 to 16 regions with their historical names. This proposal included the boundaries of such regions, the justification of such division and implementation schedule thereof.

In May 2005, the Institute for Public Affairs prepared the study called **Volunteers. Case Studies**. Ondrej Dostál, CI Director, wrote the chapter on legislative framework of the service of volunteers.

In December 2005, CI published the study of the fellow worker Katarína Podracká called **Anti-Americanism** on the website www.usainfo.sk.

Communication Activities of CI

Also in 2005, 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. In February 2004, CI started the operation of English version of it's website on **www.institute.sk**. Dušan Sloboda was the website administrator.

Since November 2004, CI publishes monthly it's newsletter called **Konzervatívne listy /Conservative Letters/**. 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. Also the information on CI activities and happening within the Slovak and foreign conservative communities can be found there. In 2005, 10 editions of Konzervatívne listy were issued. 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 TV and radio discussions.

Support for Culture and Art

CI, in cooperation with the Jury of Dominik Tatarka's Award, awards the **Dominik Tatarka's Award** for literature every year within CI support activities for culture and art. On March 16, 2005, the Award was awarded to Stanislav Rakús for the book **Unwritten Novel**.

On May 10, 2005, the auction of works of Slovak painters was held in Bratislava for the support of **Divadlo z Pasáže**, a theater in Banská Bystrica working with mentally handicapped actors. Also CI supported this activity moneywise.

Kalligram Publishing House, CI and the weekly journal .týždeň organized the introduction of **Tomáš Zálešák's** (CI fellow worker) book called **Devil's Work (Reflexions on Totalitarianism)** in Bratislava on October 3, 2005. Peter Zajac, the President of CI and Mr. František Šebej, an editor of .týždeň introduced the book.

On November 7, 2005, KI in co-operation with .týždeň and Impulz magazine, organized in Bratislava the public introduction of the book of **Whittaker Chambers: Witness**, issued in Czech language by Civic Institute in Prague. The Chairman of the Board of Editors of Impulz, Mr. Vladimír Palko, the President of CI, Peter Zajac, the Czech translator Michaela Freiová and the Director of Civic Institute, Roman Joch, introduced the book.

CI and its Conservative Library

In 2005, 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. Dušan Sloboda was the co-ordinator of the project of Conservatism Library.

Civic Activities of CI

In 2005, CI participated, together with other NGOs, on the activities of two civic initiatives and supported the activities aimed on enforcement of the right to information.

The initiative **Citizens for Themselves** deals with the legislative environment for the activities of non-profit organizations from 2003. In 2005, its member NGOs gave their opinion to two main issues: the intent of Ministry of Finance to change the legislative assignment of 2% of the paid income tax and the reflections on the possible approval of so-called Non-Profit Law Code. The initiative criticized both these intents and emphasized the negative impact of their eventual approval. The initiative elaborated criticism analysis of proposal of the legislative intent on the Non-Profit Law Code. As far as the draft of Ministry of Finance on the amendment of the Income Tax Law concerns, the initiative prepared its own comments and amending proposals.

In 2004, the **Initiative Against European Constitution** associated the organizations criticizing the draft of the European Constitution and demanded the referendum on its approval in Slovakia.

On July 11, 2005, the Constitutional Court of the Slovak Republic in Košice received a constitutional complaint against the ratification of the European Constitution. A group of 13 citizens including the people from CI objected in this complaint against the violation of their fundamental right on participation on the administration of public affairs as given in the Constitution of the Slovak Republic. They found this violation in the fact that National Council of the Slovak Republic expressed its consent with the Treaty Establishing a Constitution for Europe without approval of the Constitutional Act on Admission into the State Union with Other States, which should be subject to approval by referendum as given in Slovak constitution. Ondrej Dostál, the CI Director, is the author of the text of the Constitutional complaint and the co-ordinator of Initiative Against European Constitution.

The Senate of Constitutional Court of the Slovak Republic on its closed session on July 14th, 2005, negotiated preliminarily this complaint objecting the violation of the citizens' right to participate directly on the administration of public affairs by National Council of the Slovak Republic. Senate accepted the complaint for further procedure. At the same time, Constitutional Court of the Slovak Republic, based on the proposal of the complaining persons postponed the enforcement of the corresponding resolution of the Council until the decision on the proper issue will be taken. It stated in the justification of its decision that till then, the President of the Slovak Republic cannot ratify the Treaty Establishing a Constitution for Europe.

In August, NGOs, including CI, as the representation of public, defended against Ministry of Interior and Ministry of Justice, **the free access to information** within an extent as implemented in 2000. The civic arguments succeeded thank to nearly 900 citizens who signed the collective comment to the amendment of Act on Infringements and to nearly 700 citizens who signed the collective comment to the amendment of Act on Free Access to Information.

On December 6, 2005, CI, Fair-play Alliance and Citizen and Democracy Association demanded the members of National Council of the Slovak Republic to re-approve the amendment of Act on Free Access to Information as submitted originally after it was

rejected by the President. National Council of the Slovak Republic re-approved this amendment without accepting the comment of the President on December 14, 2005.

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

Foreign Activities of CI

In February and March 2005, the CI analyst Peter Gonda, together with the CI fellow worker Michal Novota, made a six-week work trip around the U.S. The first part of the trip took place on the base of invitation from Jason Turner of Heritage Foundation and it was dedicated to the study of welfare reform in the U.S. The second part of the trip was aimed to develop the co-operation of CI with American conservative think-tanks and authorities in conservative thinking in the U.S.

On June 22 and 23, Peter Gonda, CI economist, gave his lecture in an international conference called **Advancing Economic Growth: Investing in Health**, organized by The Chatham House – Royal Institute of International Affairs in London. Among others, also Leszek Balcerowicz, the President of National Bank of Poland and author of economic reforms in Poland in the 1990s. The establishment of contacts with friendly and conservative think-tanks was a part of one-week stay of Peter Gonda in London.

On June 23, Ondrej Dostál, Radovan Kazda and Dušan Sloboda participated on **Prague Spring Lecture** organized in Prague by Liberal Institute. The lecture was given by Anthony de Jassay, well-known liberal thinker and economist. At this opportunity, CI representatives met the representatives of partner think-tanks in Prague: Centre for Economics and Politics, CEVRO, Liberal Institute and Civic Institute.

On June 27 to 29, 2005 Peter Gonda, CI economist, and Peter Tatár, CI fellow worker, gave an introduction in an international conference called **Creative Solutions for an Ageing Society: Sharing the Wisdom**, organized in Trondheim, Norway, by International Association of Homes and Services for the Ageing, Washington, D. C., USA. The establishment of contacts with friendly and conservative think-tanks in Oslo was a part of one-week stay of Peter Gonda in Norway.

Michal Novota, CI fellow worker, participated on September 22 to 25, 2005, in a conference called **Toward a Free and Virtuous Society**, organized by the American Acton Institute and Austrian organizations Europa Institut and Townhall.at in Sonntagsberg, Austria.

On September 23 to 25, 2005 Dušan Sloboda, CI analyst, and Ľuboš Mikuška, CI fellow worker, participated on an international seminar called **What can the EU and US do to encourage Entrepreneurship in Europe and Elsewhere?**, organized by the Centre for Research into Post-Communist Economics (CRCE) in Bled, Slovenia.

In October 11 to 13, 2005 a business trip of CI economist Peter Gonda to Warsaw, Poland, took place. He met there the representatives of similar Polish think-tanks. On October 12, 2005, Peter Gonda gave lecture introducing the Slovak economic reforms in Warsaw for the representatives of Polish think-tanks.

On October 13 to 16, 2005, Peter Gonda, the CI economist, participated in Vilnius, Lithuania, on a conference called **The European 'Third Way': The Way Forward?** within the annual meeting of European Resource Bank, organized by Lithuanian Free Market Institute (LFMI). The representatives of nearly one hundred think-tanks from all over the Europe and the U.S. participated in this event.

On December 5 and 6, 2005, the meeting of representatives of right-wing political parties and think-tanks from the individual EU countries took place in Brussels, Belgium. Invited by Daniel Hannan, one of the conservative members of EPP-ED in European Parliament, also Peter Osuský and Ľuboš Mikuška as CI representatives participated on this meeting. The outcome of this meeting, aiming towards the union of those who criticize the today trends in the EU, was the approved document called Brussels Declaration.

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



Ondrej Dostál
Director of Konzervatívny inštitút Milana Rastislava Štefánika