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Slovakia

The road to a knowledge-based economy

'*Slovakia's achievements and challenges on the road to a knowledge-based economy*: This was the title of the conference held in Bratislava on April, 11, 2006, with the participation of José Manuel Barroso, President of the European Commission and Ján Figeľ, European Commissioner for Education, Culture and Multilingualism.

Mikuláš Dzurinda, Prime Minister of Slovakia, and José Manuel Barroso, President of the European Commission
Photo: Press agency SITA

In addition to priorities endorsed by European leaders - knowledge, enterprises, jobs and energy - two figures mentioned by Mr Barroso attracted the attention of the audience: possible benefits for Slovakia from cohesion funds in years 2007-2013 that are equivalent to 4 % of Slovakia's GDP, and the reiteration of the commitment of the Slovak government to increase investment in research and development up to 1.8 % of GDP in 2010 (after years below 0.6 % of GDP). Macroeconomic reforms have already led to economic growth and the substantial decrease of government deficits, but Slovakia still lags behind other EU countries in building a knowledge-based society. Interestingly, the initial impetus for the conference came from the American Chamber of Commerce in the Slovak Republic. In the previous summer the Chamber had circulated a questionnaire to its members to gather opinions about the country's competitiveness strategy for the period up to 2010, i.e. the National Lisbon Strategy and the related MINERVA programme (see Cedefop Info 1/2006). The results of the questionnaire identified these fields and measures as being critical for competitiveness: improved law enforcement, regulatory impact assessments, centres of excellence, lifelong learning, foreign language teaching, use of ICT in education, training for the job market, e-Procurement and e-Government.

Pál Csáky, Deputy Prime Minister of the Slovak Republic, Jan Figeľ, member of the European Commission, Martin Bruncko, advisor to the Finance Minister - three of five of panellists of the panel Slovakia's Competitiveness Strategy Photo: American Chamber of Commerce in the SR

The conference, organised in cooperation with the Representation of the European Commission in the Slovak Republic and the Ministry of Finance, was attended by over 200 participants including official representatives of 22 countries, journalists, ministers of the Slovak government, representatives of political parties, members of the academic and business world and of think-tanks and NGOs.

The temperature of the conference was raised by the presentation of Anton Jura, President of the National Union of Employers (RUZ) who harshly criticised the Slovak education system. The ensuing debate revealed the necessity of restarting a dialogue between the education and business worlds and of rethinking the reform of the early 2000s (in particular of VET), especially with regard to relations between public and private institutions. But the conference also provided positive examples. The success story of the anti-virus company ESET showed that Slovakia can develop ICT and other high-skills industries, if it lays down the appropriate policy infrastructure.

However, the conference did not adequately answer the question of VET in Slovakia. If business has no tax or other incentives, how can it be expected to invest in training its staff? If the present situation is left unchanged, underinvestment in vocational schools and a lack of quality teaching staff is likely to continue.

According to a 2006 report from the Economist Intelligence Unit 'Foresight 2020: Economic, industry and corporate trends' a real GDP growth of 5.3 % and 3.5 % is expected for Slovakia for 2006-2010 and 2011-2020, respectively (compared to 2.0 % and 2.0 % for the EU15). So far so good; but Estonia has showed that a better policy mix can result in even stronger GDP growth.

In the run-up to the June 2006 parliamentary elections, much money has been promised for building a knowledge-based economy. In fact, this money will be available regardless of the result of the elections. It remains to be seen whether the added funds will be wisely invested.

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