



# Party Law in Modern Europe

The Legal Regulation of Political Parties in Post-War Europe

## The limits of regulation: Party Law and Finance in Slovakia (1990-2012)

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## Introduction\*

It is one of the paradoxes of democracy that we together create rules to bind our own hands. At the heart of democratic competition are political parties—Kelsen argued nearly a century ago that “only self-deception or hypocrisy can lead one to believe that democracy is possible without political parties” (1981 [1929]:92) and Schattschneider affirmed that “political parties created democracy and modern democracy in unthinkable save in terms of the parties” (1942:1). Moves by parties to restrict party behaviors are thus crucial both for understanding what is possible in a given democracy and for shedding light on democracy itself functions. The detailed regulation of political parties must find the delicate balance between a too-narrow restriction of party activity, and a too generous permission that may lend itself to overextension.

But for all the importance of the topic of party regulation, few have been the scholars examining the specific content of party regulations<sup>1</sup> and almost nonexistent are the works that try to study the consequences of such regulation at the systemic level. More prolific, perhaps, has been the literature on the effects of party funding for party system stabilization (e.g. Casas-Zamora, 2005; Scarrow, 2006; Booth and Robbins, 2010; etc.) but even these efforts are limited by a wild variety of country-specific differences. We lack comparative, cross-national data to allow for the in-depth qualitative study on the specific mechanisms linking the different aspects of party regulation (e.g. minimum number of signatures and/or members, activity restrictions, payout thresholds, etc.) and party system development.

For all these reasons, the current work, through a detailed analysis of the content of the legislation on political parties (both in the constitution as well as in the respective party laws) in post-communist Slovakia since the moment of its independence in 1993, constitutes one part of a broad-based first attempt to discover to what extent party system formation and development has been affected by changes in the patterns of party regulation. For Slovakia, at least, the answer is “not much.” Party organizational and finance regulation are not simply

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\* *Authors' note:* All authors have contributed equally and the ordering of the names simply follows the alphabetical order. We would also like to gratefully acknowledge the support of the European Research Council (ERC starting grant 205660) in the preparation of this paper.

<sup>1</sup> Avnon (1995), Biezen and Borz (forthcoming), Janda (2005) and Karvonen (2007) constitute the only exceptions.

party-created reifications of existing practice (a theoretically possible outcome of party-led democracy), but their independent impact, where it is measurable at all, is apparent largely at the margins of the political conflict. As part of the regional analysis intended by the project organizers, however, Slovakia contributes important data that may help in the discernment of broader patterns.

The article is divided in four parts. Section one looks at the process of party constitutionalization. Section two summarizes the most important aspects of the two Slovak Party Laws (one passed in 1993, the other in 2005), trying to highlight their differences and (main) innovations. Section three contains a similar analysis in relation to the way in which the method of financing political parties has been regulated. Finally, section four examines the actual effect such legislation—or lack thereof—on the Slovak party system, with an especial focus on party foundation, proliferation and turnover as well as electoral and governmental stability.

### **Party Constitutionalization: Creating a Minimal Framework**

In what constitutes one of the most particular events in constitutional history, Slovakia's current *Lex Suprema* came into effect<sup>2</sup> on 1 October 1992, several months *before* the birth of the state on 1 January 1993 (Stein, 1997:47). Although in historical terms this the country's second "democratic" constitution, its predecessor, the 1920 Czechoslovak Constitution (effective from February 1920 to March 1939) contained no reference to "political parties" - not even to "political factions" or "parliamentary groups" - in any of its 134 articles. Not only is Slovakia thereby one of the last European democracies to incorporate political parties in its constitution, but it also has among the lowest levels of constitutional party regulation. Party constitutionalization in Slovakia encompasses few politico-legal categories<sup>3</sup> with a relatively limited amount of detail (van Biezen and Borz, forthcoming).

Article 29.2 of Slovakia's constitution includes the right of citizens to "establish political parties [...] and to associate in them" among its basic rights and freedoms. This *sedes materiae* clearly upgrades the protection of a right (to party formation), itself directly linked to the more general right of association recognized in paragraph 1 of the same article, as it entails both natural or legal persons to openly appeal to the Constitutional Court in case of violation (Article 127.1). This is not to say, however, and notwithstanding the essential role

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<sup>2</sup> Adopted on September the 1<sup>st</sup>, 1992, it became effective only one month later (Cibulka, 1995:102).

<sup>3</sup> These are: "rights and freedoms", "extra-parliamentary party" and "judicial oversight". For an in-depth explanation of these and other politico-legal categories, see [www.partylaw.leidenuniv.nl](http://www.partylaw.leidenuniv.nl).

political parties have in modern democracy (ÚS 15/98), that such right has an absolute character. Thus, paragraph 3 of Article 29 allows the legislator to establish limits “where the protection of national security, public order and rights and freedoms of others is necessary” (Bealey, 1995:181). Moreover, in a disposition that precedes by almost ten years the European Court of Human Rights’ doctrine on the subject (see *Refah Partisi et al. v. Turkey*, 31.VII.2001), Article 31 established that “the legal regulation of all political rights [including the right to create a political party and associate in it] and their interpretation and use must enable and protect a *free competition of political forces* in a democratic society” (italics are ours). All in all, with these two articles the Slovak Constitution, allowing for a judicial control of parties on the basis of their activities, statutes as well as ideological aims (Sadurski, 2005:13), consecrates “a form of constitutional democracy authorized to protect civil and political freedom by pre-emptively restricting the exercise of such freedoms (Macklem, 2006)” (van Biezen and Borz, forthcoming).

Despite this general authorization, the only explicit limit to political parties established in the Slovak Supreme Act is their obligatory separation from the State (Article 29.4) by which the constitutional legislator “not only echo[es] the sentiments found earlier in the Weimar Constitution, but also [...] attempt[s] to distance the [new] democratic system from [previous] regimes, in which [authoritarian] political parties [e.g. the Communist or Hlinka’s Slovak People’s Party] exercised a more or less complete control rule of the institutions of the state” (van Biezen, 2011:204). According to Láštík, (2004:101) the idea was, therefore, to prevent historical “legacies” from affecting the party-state relationship in ways former regulations did not.

Consistent with this general demand for political neutrality of public officers, Article 137.1 asks members of the Constitutional Court to surrender their party membership although, as Malová and Láštík have clearly pointed out, “this does not imply that political parties do not exercise influence.”<sup>4</sup> The 2001 amendment, which “brought the most significant changes since the adoption of the Constitution” (Bröstl, 2006:IX-8), extended such incompatibility to both “judges” (Article 145a) and “the Public Defender of Rights” (Article 151a).

Finally, and as with its counterpart in the Czech Republic, Article 129.4 of the 1992 Constitution empowers the Constitutional Court to decide on whether “the decision to disband or suspend the activity of a political party is in compliance with the constitutional or other

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<sup>4</sup> This is entirely consistent with the expiration of his/her mandate as parliamentarian and/or Minister (Article 137.2).

laws”. In this context, and contrary to other Eastern European democracies (e.g. Bulgaria, Poland or Romania), the Constitutional Court does not directly resolve on the constitutionality of a political party but, acting purely as a second instance, simply revises the constitutionality and/or legality of a previous judicial decision<sup>5</sup> (Venice Commission, 2000:17).

### **Party Laws: From General to (Somewhat) More Specific**

During and in the aftermath of the 1989 regime change in Czechoslovakia the narrative regarding the preferred form and structure of the emerging democratic polity was – under influence of the “anti-political politics” of Václav Havel – often articulated in anti-(party)political terms. While anti-politics served as successful public relations strategy, namely abroad, the “party politics” soon came to dominate the reasoning of members of new political parties as a new guiding principle. Accordingly, grave conflicts within the original anti-Communist umbrella formations Civic Forum (OF) and the Public Against Violence (VPN) took place resulting in splits and eventual overshadowing of the original dissident cores by new “party-political” formations, namely Civic Democratic Party (ODS) and the Movement for Democratic Slovakia in the Czech and Slovak parts of the Federation respectively. It was a pressure of political reality and awareness of the growing number of party members of the necessity to build and occupy political positions through political parties which provided legitimacy to leaders such as Václav Klaus and Vladimír Mečiar over the advocates of anti-politics favouring the role of “supervisors” of the country’s transition to democracy for the original anti-Communist movement. In this atmosphere, many initial laws stipulating the elements of the democratic polity in Czechoslovakia – in which the origins of the regulation of the Slovak party scene is to be found – were therefore informed by a mix of influence of anti-politics and “party politics.”

The prominent – even though practically inconsequential – anti-political phenomenon in the area of political parties was a distinction between political party and political movement which was instituted by the law 15/1990 as early as in January 1990. This one and a half page-long law which “established a foundation for a pluralistic political system” by legalizing “several [already existing] political parties” while imposing at the same time “democratic conditions for the[ir] creation and functioning” (Cibula, 1995:99). It defined the association in political parties as the civic right and defined its purpose: the avenue for a popular participation in the political life, namely in creation of representative organs of the state (Article1). The law also introduced the distinction between the political party and political

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<sup>5</sup> Adopted by the Supreme Court.

movement, in which the latter – allowed to combine individual with collective membership (of political parties and other societal organizations) – was meant to be in line with the ethos of anti-politics the vehicle for different – and supposedly morally superior – participation in politics. This, however, never turned out to be the case, and *parties*, rather than movements, became the focus of nearly all legal and political activity.

When Slovakia became independent, it took with it the law of its Czechoslovak predecessor. Adopting “the principle of reception of the [previous] legal order”, Article 152 of Slovakia’s Supreme Act assumed “all previously adopted laws [including Act 424/1991 on Association in Political Parties and Political Movements] to the extent they [we]re not in conflict with the Slovak Constitution” (Cibula, 1995:113). On January the 21<sup>st</sup>, 1993, and following the constitutional mandate, the National Council of the Slovak Republic both adopted and adapted the 1990 Act to the new political situation simply by eliminating any reference to the former Czechoslovak Republic. This way, Act 47/1993 became the first Slovak Party Law and the ninth in Europe (Casal Bértoa *et al.*, forthcoming). This Act remained in force for over a decade though adjusted by multiple amendments made in the first half of 2000s within the declared goal of instituting a proper mix of private and public financing for parties and usher transparency and accountability in their internal life and public operations and the additional motivation of a pre-accession conditionality of the European Union and pressure from the Council of Europe suggesting that Slovakia’s party law lagged behind European standards.

After several month of work during 2004-2005, the commission established under the auspices of the Ministry of Interior proposed a new party law which came to force in February 2005. The Act 85/2005 discontinued the series of amendments to the domesticated federal party law of 1991 (424/1991) and established in its place a brand new body of legislation that reconsidered, consolidated and concentrated the set of previously dispersed regulations related to the functioning of political parties. It aggregated almost all of the party-related regulation into a single law which remains in force (with minor modifications) at this writing.

Based on the insights of political theory (Karvonen, 2007), and in order to structure our comparative analysis of legislative party regulation in Slovakia, we distinguish the architecture of modern party laws as a layered narrative referred to three different moments in the life of a political party: namely, (1) foundation; (2) development; and (3) extinction. Let’s examine each of them in turn.

#### *Party foundation (or registration)*

Following the constitutional mandate (see above), Article 4.1 of Act 85/2005 on Political Parties considers the right to party creation as an expression of the more general right of association. Even if not as specific as the previous Party Law, which specifically defined them as “voluntary associations” (Article 2.1 Act 47/1993), both regulations recognized their “legal personality” from the moment of registration in the so-called “Register of Parties” (RoP),<sup>6</sup> kept by the Ministry of Interior (MoI) (Articles 6.1/7.1/8.7 and Article 4.2, respectively).

Similarly to its predecessor, Article 6.3 of the 2005 Party Law requires the application for registration of a political party to be submitted by a preparatory committee, including the data for identification of the latter (e.g. name, birth and permanent address) as well as the “name of [its] authorized representative”. There are, however, three aspects in which the current regulation differs from the previous: namely,

1. Members of the so-called “preparatory committee” need to be not only citizens who have acquired the legal age (i.e. 18 years-old), but also to have “full legal capacity” (Article 3.2). Moreover, the law establishes now their minimum number: i.e. three (Article 4.3).
2. The law introduces a new requirement - certification, either by a Notary or a competent district/municipal officer, to be more specific - for the signatures of the members referred in the previous point (Article 6.3).
3. The documents which need to be attached to the registration application include now not only a list of (adequately identified) “supportive” citizens (which now amount to 10,000 instead of just 1,000) and two copies of the party articles (i.e. statutes), but also a “receipt of the payment of the administrative fee” as well as a “statement of the party’s seat” (Article 6.4),<sup>7</sup> which until 2005 was a constitutive part of the statutes rather than of the supplementary documents.

Once the application for registration of a political party, together with the above-mentioned supplementary documents, is received by the MoI, the latter can either register the party,<sup>8</sup> after which a copy of the articles bearing not only the registration date (like in the previous law) but also the number has to be sent to the party’s authorized representative (Article 7.7); or refuse to do so, either “conditionally” (i.e. in case of “formal” deficiencies) or “unconditionally” (see

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<sup>6</sup> The RoP is a “public list”, published on the Ministry’s website, “accessible to everybody” (arts. 5.1 and 5.5).

<sup>7</sup> Common to both laws, the party’s seat cannot be situated outside the territory of the Slovak Republic.

<sup>8</sup> In this case, and as in the previous law (Article 9.1), the Ministry has 7 days to notify the Statistical Office of the foundation of the party, its name, abbreviations, seat’s address and registration date. Reciprocally, the latter has to notify the former within ten days “of the party’s identification number” (Article 18.1 and 18.2).

Article 9 below). However, and in clear contrast to the previous regulation which consecrated two different periods, namely, 5 days for the former type of refusal and 15 days for the latter,<sup>9</sup> Article 7.3 of the 2005 Law establishes a unique period of 15 days for the MoI to take any of these two actions.

Thus, on the one hand, when the MoI detects deficiencies in the application and/or enclosed documents, a written notification has to be sent (within the period above-cited) to the party's authorized representative giving it the opportunity "to remedy them in the specified time"<sup>10</sup> and suspending all the registration proceedings (Article 7.4). At his point the authoritative representative can either proceed to the removal/correction of the deficiencies, in which case the MoI has the obligation to register the party within 5 days (Article 7.6), or appeal "to the regional court within 15 days from the receipt of the notification" for a confirmation of the lack of deficiencies (Article 7.5). If none of these situations takes place, registration proceedings will be terminated by the MoI with a simple mark on the file (Article 7.8).

Almost perfectly echoing the previous regulation (see Article 8.1 Act 47/1993), Article 9 of the current law includes five reasons for the refusal of registration: namely, (1) the number of "supporting" citizens is lower than 10,000; (2) non-fulfillment of the legal requirements by the preparatory committee or its members; (3) location in a foreign state of the party's seat; (4) unoriginality of the party's name and/or abbreviation; and (5) non-compliance of the party's articles with the Constitution, "constitutional laws, acts or international treaties" (see Article 2).

The MoI is obliged to personally deliver to the authorized representative the decision on the refusal to register the party. Once this happens, the members of the preparatory committee can complain to the Supreme Court<sup>11</sup> and ask for the revocation of such decision. In case the latter takes place, the registration proceedings will begin *ex novo* (Article 7.10).

Interestingly enough, and in clear contrast to Act 47/1993, which dedicated to the issue only one article (i.e. 11), the current Party Law contains a very detailed regulation in case of changes in the party's seat, the statutory body or the statutes (arts. 9 to 12). Unfortunately, these are issues which we do not have enough time and space in this paper to go into.

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<sup>9</sup> The law also provided for the fact none of these actions took place. Then, the application was considered to have no deficiencies after the 10<sup>th</sup> day (Article 7.3) and the party registered from the 31<sup>st</sup> day (Article 8.4), from the moment of the reception of the application in both cases.

<sup>10</sup> Interestingly enough, and contrary to other European regulations, none of the Slovak Party Laws specified the amount of time given for the removal/correction of the deficiencies.

<sup>11</sup> Which, according to the previous law (Article 8.5), had to be done within 60 days from the reception of the decision refusing the registration.

## Party development (internal organization, ideology and activity)

As in most European democracies, the Slovak legislator has adopted the principle of “minimal intervention” as far as internal party organization refers. In line with this principle, the 1993 party law established only minimal requirements, namely, the clear specification in party statutes of six key details (1) the programme (stating the objectives); (2) the bodies (together with their mode of election and competences); (3) the manner of action of the statutory body; (4) the principles of economic management; (5) the regulation of the organizational units (if created); and (6) the disposition of remaining assets (in case of the latter’s liquidation or party’s dissolution) (Article 6.2b). The new party law of 2005 introduced only a few changes: (1) the requirement that statutes include list of rights and duties of party members (Article 6.5c);<sup>12</sup> (2) the mandate to create a statutory body within three months of a party’s foundation (Article 8.2); (3) the requirement that party members have attained full legal capacity, together with citizenship and the legal age, in order to “to vote and be elected to the party bodies” (Article 3.1). While adding these new requirements, the new law simplified a party’s duties elsewhere with the removal of the previous law’s obligation (Article 6b.4 of Act 47/1993) to create an arbitration body . This is not to say, however, that internal party disputes remain unresolved as Article 19 of the 2005 Law grants party members the right to appeal (within 30 days) to the regional court for any decision taken by a party body if he/she considers to be “unlawful or in contradiction with the party statutes.”

Clearly a reaction to the communist past, the 1993 law limited political party activities. Parties could not be organizationally united to the State (Article 5.1), establish armed units” (Article 5.2), “act within armed forces and armed corps” (Article 5.3) , be “organized at workplaces” (Article 5.4) or “impose obligations on persons who are not their members” (Article 5.1).<sup>13</sup> Moreover, parties’ statutes were required to be democratic and their bodies democratically elected (Article 4b). This particular concern with democracy, so dear to the Constitutional Court (see ÚS 15/98), can be also appreciated when looking at the limitations established by the Slovak legislator to party ideology and/or activity. In relation to the former, the 1993 Law bans all those parties “aiming to remove the democratic foundations of the state” (Article 4a) or “to seize and retain power in a way that prevents” party competition or restricts citizens’ equality (Article 4c). A special worry with the recently acquired

<sup>12</sup> The 1993 law specified, however, some of these rights when stating, on the one hand, that “anyone can freely quit a party” (Article 3.2) and, on the other, that members cannot be restricted “from participating in or supporting [party] activities, or for remaining uninvolved” (Article 3.3).

<sup>13</sup> This clearly complements the general prohibition contained in Article 3.2: namely, that “no one can be forced to become a member of a party”.

independence is expressed in Article 4e which requires party programs to abstain from attempting to “the sovereignty and territorial integrity of the Slovak Republic”. On the other hand, and in terms of their activities, the law develops the constitutional mandate (Article 29.4) when prohibiting parties to control, “act as or replace state bodies” (Article 5.1, see Láštic, 2004:101). Last but not least, Article 5.2 of the previous Party Law forbade “armed” parties.

The new law is less explicit on this point as it does not contain any of the specific above-cited references. Instead, Article 2 of the 2005 Law, partly echoing Article 4a in the previous regulation, limits itself to generally require that all party statutes, programmes and/or activities comply with the “the Constitution of the Slovak Republic, its constitutional laws, acts or international treaties”. Still, an integrative interpretation of the law on the basis of Article 31 of the Supreme Act (see above) would require all these prohibitions to be considered as implicitly included in the abovementioned legal mandate.

#### *Party extinction (winding up, liquidation and dissolution)*

Echoing Article 12.1 of the 1993 Law, Article 13.1 of the current Law on Political Parties identifies the day of deletion by the MoI from the RoP as the moment of party winding up-cum-extinction. In a similar vein, but with the modifications we will notice in a moment, Article 14.1 of Act 85/2005 distinguishes five different reasons: (1) voluntary; (2) merge; (3) a Supreme Court’s decision; (4) bankruptcy; and (5) failure to submit an application for the registration of the statutory body.<sup>14</sup> The latter two are a total novelty as they were not considered by the previous regulation which, on the contrary, consecrated the transformation of a party into a civil association (Article 13.1a).

Similarly to its legislative predecessor, although with more detail, the 2005 Law distinguishes two process of winding up: namely, with liquidation, and without – in the following cases: the party merges with another (considered the legal successor), it has no assets or it is the object of a failed bankruptcy procedure (see Article 13.3). While in the first two cases, an application for the deletion of the party from the Registry has to be submitted by the party’s statutory body within 5 days (i.e. 5 days less than according to the previous regulation); the deletion will be automatic in the latter. In case of deficiencies in the abovementioned application, and similar to what we saw when studying the process of party creation, the MoI has 15 days from the beginning of the proceedings to ask the statutory body to resolve them. Until that moment,

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<sup>14</sup> According to Article 8.3, the party has 4 months to do so from the moment of the creation of the statutory body.

the proceedings are suspended. All in all, the MoI has 5 days - either from the beginning of the proceedings or from the moment the above-cited formal defects are remedied - to delete the party from the RoP (Article 15).

In case of liquidation, the “competent” party body (according to its statutes) has to appoint a liquidator who, not a party member in principle, will be “reimbursed from the assets of the party”. In order to be able to exercise its functions of liquidation, the liquidator needs to inform the MoI (within 5 days) of the winding up of the party so he can proceed to register in the RoP the “entry of the party into liquidation”. Once the latter is finished, the liquidator has 30 days to “submit an application for the deletion of the party” from the abovementioned RoP (Article 16).

One way in which the current law diverges from the previous one is in the causes for the judicial dissolution of a party. Moreover, while the 1993 Law stipulated the possibility of the suspension of party activities “based on a motion filed by the General Prosecutor” (Article 14), Act 85/2005 regulates only the process of dissolution which, as in the “winding up” cases studied above, is different depending on the existence or not of party assets. Thus, while in the former case the Supreme Court will proceed to appoint an “external” (i.e. non-party member) liquidator from a list kept by the Ministry of Justice, in the second both the dissolution and the deletion from the RoP will be automatic. For the latter, the MoI – together with the Ministry of Finance – has to be properly informed by the Court (Article 17). Finally, and as in the case of party foundation, the MoI has the obligation to notify (within 7 days) both “the entry of the party into liquidation” as well as “the dissolution of the party and the date of its deletion from the RoP” the Slovak Statistical Office (Article 18.3 and 18.4).<sup>15</sup>

Despite all the troubles of the law in specifying the process of judicial dissolution, the truth is that in almost 20 years of democratic history the only Slovak party to be dissolved by the Supreme Court was the Slovak Brotherhood-National Party (SP-NS) whose program advocated for removing Slovakia’s democratic system of government and suppressing human and minority rights [while] openly promulgated racial discrimination. To justify its ruling, the Supreme Court observed that an article in the party’s program titled “Corporative State” advocated restricting suffrage, which contradicted the Constitution (Mesežnikov *et al.*, 2007:639)

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<sup>15</sup> Act 47/1993 stipulated such obligation only for the case of dissolution.

The abovementioned case, together with the main characteristics of the already analysed party regulation, clearly puts Slovakia among those states which, following the German example, have adopted a “militant” model of democracy (Thiel, 2009).

The new Slovak Party Law is thus both stricter and more specific than the previous one. This is clearly visible not only in terms of the change in the “magnitude” of regulation (see figure 2 in Casal Bértoa *et al.*, forthcoming) but, more specifically, in the detail with which aspects certain aspects have been regulated (i.e. “party creation”, “RoP”, “internal organization”, “dissolution process”, etc.). Moreover, it is less influenced by previous “historical” legacies, showing a more developed “democratic tradition/culture.” Nevertheless as subsequent sections show, the increase in de jure specificity does not necessarily increase its de facto restrictiveness as long as other options are available to political entrepreneurs.

### **Party Finance Regulation: From Fragmentation to Consolidation**

As with the development of its party law, Slovakia’s party finance regime has also moved toward greater coherence over time. A look at the regulation of economic and financial activities of political parties suggests two general trends. First, overwhelming evidence suggests that the course of regulation of party finance in Slovakia developed from ad hoc arrangements scattered through a variety of laws towards a relatively streamlined and consolidated single norm covering all aspects traditionally associated with party finance regime. Second, there are strong indications that the changes resulted from a combination of internal political incentives—the interest of political class to provide parties with a legal, stable and (increasingly) generous source of income from public funds—and pressure to increase transparency, oversight and disclosure from domestic and especially from international institutions including EU accession conditionality and Council of Europe recommendations. Furthermore, these changes took place in the shadow of an underlying concern by many in the political class not to eliminate completely the space for “extralegal” ways of financing parties, and especially party campaigns. As with the development of the party law, the advances in transparency and disclosure have not completely closed off routes of circumvention. The political elites remains caught between their desire for what they see as “sufficient” campaign funding and the fear of the public opinion that stops them from proposing an increase in public subsidies to parties, even if it also allowed the closure of loopholes enabling “extralegal” and illicit financing of parties.

The establishment of the party finance regime (1990-1992)

During the initial post-communist period the legal code did not specify *any* specific different rules for party finance other than for other societal organization regulated by a general legal code-like norm called Economic Code. It was not until May of 1990 that parties were first treated distinctly from other organizations in terms of their property and economic activities: norm 177/1990 a legal transition measure of the Chairmanship of the Federal Assembly regulated a transfer of property from the communist-era political parties of the National Front to the new or successor parties, or to the state. Shortly thereafter new election laws at the Federal and Slovak level (47/1990 and 80/1990 respectively) specified sources of income for parties from the state budget were ensured by the federal and Slovak election laws. These took the form of the “reimbursement for election expenses” – also called “contribution for votes” by subsequent legislation – paid to parties in one installment depending on the number of votes obtained in elections to both representative assemblies. The Federal election law stipulated 10 Czechoslovak crowns per vote for parties getting a minimum of 2% of vote. Two years later, the amendment 59/1992 increased the rate to 15 crowns per vote. Similarly, the Slovak election law provided 10 crowns (.33 Euro) per vote increased to 15 (.48 Euro) by the 104/1992 amendment and to 60 Slovak crowns (0.65 Euro) per vote by Act 157/1994 in June 1994 while raising the threshold for receipt of the subsidy to 3% of all votes cast.

The passage of a more detailed federal-level party law 424/1991 in November 1991 represented the major main building bloc of the skeleton of the party finance regime in Czechoslovakia. Except for giving parties legal personality and defining their role—though still in quite vague terms, at least as compared, for example, to the German constitution—this new law abrogated the “short” party law 15/1990 while specifying continuity in the sense that parties registered according to the “short” law were lawful according to the new one as well. The new law also instituted a party finance regime in some detail – 4 articles – and introduced elements such as brief definition of party incomes and expenses, the duty of submitting annual financial reports by parties, as well as an obligation to reveal the identity of donations over 10,000 crowns, or combined donations from the same donor exceeding 50,000 crowns per year. It also included a ban on donations from state (financial or in-kind) other than defined by the law. Most importantly, it introduced, defined and clarified the terms of payment of the new “state contribution” (also called “contribution to activities” by the subsequent legislation). The new state subsidy was equal to the previously established (by the Federal election law) “reimbursement of election expenses” but it was paid in 4 yearly installments.

A similar “state contribution to political parties” was established by a special law of Slovakia’s parliament (the Slovak National Council or SNR) in March 1992. While the contribution according to 424/1991 was paid from the Czechoslovak state budget, the contribution instituted by this special law was disbursed by organs of the Slovak Republic and while manifesting exactly the same logic of determining the rate, it was tied to the number of votes obtained in the elections to the Slovak parliament rather than the Federal parliament (in 1990 and 1992 the voting patterns in the two chambers were quite similar but differed by a few percentage points). Thus in 1992 for the first—and last—time, parties could rely on, Slovak political parties had an opportunity to collect two “state contributions” from federal- and republic-level sources.

After the split of the Czech and Slovak Federal Republic in 1993 Slovak political parties had to rely solely on Slovak budget, but they did so under a set of rules that were created primarily in the now-defunct Czechoslovakia and shared the ad-hoc fragmentation characteristic of federal-level legislation on parties that was scattered through four different kinds of legal norms, namely:

- Party law proper, such as 424/1991 and its amendments
- Election law, specifically that related to Slovakia’s parliament, which defined rules for free access to public media, and, more importantly, conditions for “reimbursement of election expenses” and, therefore, indirectly also the “activity contribution”
- Special legislation dealing with caps on campaign expenditures and subsequent amendments, and, finally
- Media law which helped to define free access to public media for campaigning parties, a major form the in-kind subsidy from the state.

This scattered pattern of the mutual reference of individual legal norms to each other served the Slovak polity until the 2005 major overhaul of the party regulation in general and the party finance regime in particular. In the following text we will illustrate the gradual tendency to streamlining the party and finance regime-related regulation, elimination of the plurality of norms and subsuming the realm under one law. This trend was intertwined with a hesitant but firm shift towards increased and more effective transparency, oversight and disclosure of the financial life of political parties in Slovakia.

Domestication and cautious improvement of the party finance regime (1993–2004)

Although the newly independent Slovak Republic began its existence with a parliamentary election law in place (which made parties were eligible for one kind of the state subsidy), it lacked its own party law which existed only in “federal” form in the Act 424/1991. Facing the choice between a wholly new party law or a “domestication” of the federal law, Slovakia’s parliament chose the latter option.

Like much of the other Czechoslovak law was adopted by Slovakia, the adjustment of the party law to realities of political competition in an independent state took the form of a short amendment to the federal-level law. In this case, the one page law 47/1993 which amended 424/1991. It eliminated references to Czechoslovakia and its political institutions and introduced the new Slovak ones into the law where necessary. It specified that “the seat of the party shall be on the territory of the Slovak republic” and excluded the possibility for the parties registered in the Czech Republic to operate on the territory of Slovakia by cancelling a mutual acceptance of registrations between the two republics of the Czechoslovak federation guaranteed by article 10 of 424/1991.

After this adaptation, the next decade of party law in Slovakia involved only relatively minor efforts in three areas:

1. Occasional amendments of the party law aimed at improving technicalities of state contributions and regular amendments of the election law to the Slovak National Council (SNR, later renamed the National Council of the Slovak Republic, NRSR) which usually entailed increase in the “contribution for votes” and changes in its terms of payment
2. Changes in the regulation of the most important in-kind state subsidy, free access to (public) media, as reflected by amendments of the election and media (broadcasting) laws
3. A special law imposing limits on campaign expenditures, and other piecemeal strengthening of the element of accountability and disclosure

The 43/1994 amendment of 424/1991 changed several minor technical aspects of the payment of the “contribution to activity” and submittal of the annual financial party report. It included an itemized account of the (previous) spent contribution as obligatory part of the party annual financial report. It also conditioned the payment of the next installment of the contribution by rightful inclusion of such report.

The election year 1994 also witnessed a special law 230/1994 on limits on campaign expenditures which attempted to define what campaign and campaign expenditure was and stipulated a cap on such expenditures to 12 million Slovak crowns (4 million Euro) per party (including VAT). The law made it obligatory for parties to submit a summary of expenses paid by party as well as the third parties to the Ministry of finance was ushered in and the deadline of 30 days following the election day. It was complemented by an obligation for the media outlets to reveal in written to the Ministry of Finance and the Central Election Commission a total price of political advertising purchased by individual parties with the identical 30-day deadline. The media had also to specify the “usual price” for such advertisement for the sake of comparison. Finally, the law included a sanction for non-compliance in the form of a fine to be discounted from the “contribution for votes” in case of exceeding the cap as well as the failure to submit a report. The law also adopted different terminology regarding the state contributions compared to the election law and the party law (424/1991). In law’s language the “reimbursement of election expenses” became “contribution for votes” and “state contribution” became “contribution to activities.” This arrangement lasted till 2000 when the new state contribution has been added to the existing two.

In the meantime, media laws and election law amendments reflected the development of the regulation of the most precious indirect state subsidy – the access to media. In general, the media law amendments defined “political advertising” and in principle banished it (in paid form) from public broadcasting media while the election law created a room for access of the campaigning parties to public and later also to private media. The original Slovak election law 80/1990 introduced the duty for public media – state radio and TV broadcasting companies – to provide some space for political advertising of the campaigning parties and to divide such dedicated airtime between them in equitable way. In 1992 the amendment 104/1992 ushered in the exact amount of airtime for this purpose—21 hours—and ban on broadcasting outside of the dedicated slots. (In fact, the 1990 law talked of the access to the “state public information facilities” and the 1992 about the “public information facilities” but in reality it was understood that the regulation applied to the *state* radio and TV broadcasting companies. (There were only few private radio broadcasters in Slovakia before 1994 as there were no private television broadcasters before 1996.)

Amendments to the election law in May of 1998 saw brief but sharp turn toward politicization as the regime of Vladimir Mečiar sought to increase its opportunities for electoral victory.

Act 187/1998, brought in several instrumental measures aimed at undermining the chances of opposition to defeat the regime in the electoral arena including an explicit ban on campaigning in all private media (a reaction to the tendency of newly emerged private media to give voice to the opposition's criticism of the regime). The ban was later outlawed by the adjudication of the Court 66/1999 and its unconstitutional status was by amendment 223/1999 to the election law.

The aftermath of the displacement of the Mečiar's regime in 1998 commenced the transitory period which gradually lead towards the major reform in the regulation of the life of parties in 2005. One of the key steps in this change was the need to create new legal norms to govern another post-Meciar shift: direct election of the president. The very idea of holding direct popular election for the presidential office was the result of anti-Mečiar opposition efforts to use the power of public opinion to emancipate this important element of the political system from the influence of the illiberal regime, and the text of the law on direct election of the president, Act 46/1999, foreshowed the trends in regulations that later manifested themselves in party law and election law as well. In addition to granting equitable access to media to all candidates, reimbursing the public media for time dedicated to candidates' campaigning, and introducing the campaign expenditure cap of 4 million (1.3 million Euro), the law also more thoroughly ("for the sake of this law") defined activities to be considered a part of the political campaign. Although the law placed no restrictions on contributions from domestic physical and legal persons and political parties, it did introduce a significant change by obliging presidential candidates to a full disclosure of all donations. The duty of reporting election expenditures for both candidates and the media outlets was similarly demanding than the provisions of the corresponding parliamentary campaign expenditure limit law (239/1994).

Amendment 404/2000 ushered in some substantial corresponding changes that brought the party law (424/1991) closer to the presidential election law in the area of finance, The amendment marked the beginning of the process of transferring party finance-related regulations from other norms to party law proper. Usefully and importantly it defined anew the eligible incomes and their sources with the prominent role played, as before, by contributions from the state budget. The amendment also cancelled Act 190/1992 on state contribution to political parties thus subsuming the "contribution to activities" under the party law. More importantly, the new law instituted the new, third, contribution from state budget to political parties in the form of the "contribution for mandate" which stipulated the payment of the 500,000 Slovak crowns (16,700 Euro) per year and parliamentary seat to all parties

represented in the parliament. The law also defined the difference between the customary price of product or a service and the negotiated one as “party income” and required the inclusion of the discount in to the party accounting. Finally, it tightened the disclosure requirements by laying down a more detailed structure of parties’ annual financial reports.

In 2001 small amendment of the party law (152/2001) introduced the duty for parties to have their balance of books, a required part of the annual financial statement, audited by an independent auditor and defined the mechanism of a random selection of auditors for that purpose, and finally, the series of amendments of the Slovak parliamentary election law (80/1990) was replaced in May 2004 by a new norm 333/2004. The revamped norm redefined the entitlement for one of the contributions from state budget – contribution for votes – as 1% of the national economy’s nominal average salary the year preceding the elections. This was a shift from a fixed arbitrary amount to the relative one, supposedly performance-based and linked to the important macroeconomic index. The entitlement was limited to parties exceeding 3% of valid votes in elections. Finally, to reduce the creation of frivolous parties, the amendment also introduced a mandatory pre-election deposit of 500,000 Slovak crowns (16,700 EUR) that would reimbursed only to parties exceeding 3% of valid votes. (This threshold was later lowered to 2% by the 464/2005 amendment.)

#### Overhaul of the Party Financial Regime (2005 to the present)

The comprehensive 2005 revision of Slovakia’s party law unified and integrated the disparate strands of Slovakia’s party-related regulation, and its impact was particularly far-reaching in the area of political party finance, its 11 articles taking almost 5 pages of the text of the new law.

- The law listed all three contributions from the state budget and reformed them (with the exception of the “contribution for votes” which remained under the auspices of the electoral law). The new law made minor alterations to “the contribution to activities” and a major shift to the “contribution for mandate.” As with previous reforms to the “contribution for votes” the new law modified the “contribution per mandate” so that it would shift with macroeconomic indicators and did not require constant amendment. The law guaranteed parties an annual sum of 30 times the average nominal wage in the national economy for each of the first twenty parliamentary seats and 20 times the same sum for each additional one.

- The law also defined the purposes for which the money from the state contributions could *not* be used (Article 29).
- Regarding other eligible sources of income, the law listed them anew and this definition also entailed a duty for parties to keep a separate record of donations as well as an obligation to receive the donations exceeding 5,000 Slovak crowns (166 Euro) exclusively by way of a written deed of donation with a full disclosure of the donor and notarised signatures of the contracting parties. (This obligation was later extended to all donations – financial or in-kind – by 568/2008 amendment which also obliged parties to make their donors’ identity public on their web pages on the quarterly basis.) The law also defined in-kind contributions for the sake of party finance regulation.
- In the area of disclosure the new regulation increased the number of items required to be included into the annual party financial report and established an obligation to keep separate records of all donations (also in-kind), loans, and membership fees, namely those exceeding 25,000 Slovak crowns (830 Euro).
- Finally, the law took over the regulation of campaign expenses. The formal and material requirements of the final campaign spending report introduced in 2001 were made stricter. The reporting duty in this area had been extended to the period prior to the elections in the form of the preliminary report on campaign-related expenses to be handed in 21 days before the election day. Last but not least, by abrogating Act 239/1994 without replacing it by equivalent passages in 85/2005, the new law effectively cancelled all previous caps on campaign expenditures.

The party law, Act 85/2005, has been so far amended twice. Namely amendment 568/2008 dealt with the party finance regime by prohibiting payment of membership fees in cash if they exceed 5,000 EUR. It has also introduced the cap on cash donations from one donor to 5,000 EUR per year.

Thus, Slovakia’s party finance regime has come to be regulated by a single, legal norm. The only exception from this rule is that the basic state “contribution for votes” is still dealt with in the election law. Otherwise the party law covers all areas traditionally associated with the party finance regime: private and public sources of income, limitations of private donations, restrictions of campaign (and other) expenditures, transparency and disclosure of the financial status and operations of parties, and oversight and sanctions for non-compliance. The one and a half decade of the regulation of the party life which lead to this state was marked by a shift

from a plurality of interdependent norms towards parsimony (one single norm), and in the realm of the finance regime this had several important consequences detailed in the categories below:

- State financial contribution: a tendency towards multiplication of entitlements combined with constant increase in their amounts, and a shift from fixed arbitrary amounts to relative and quasi “performance-based” amounts linked to macroeconomic indices.
- Private financial contributions: a shift toward universal disclosure of donor identity from unlimited private donations to donation caps (and the treatment of voluntary membership fees in the private donation category), and an effort to broaden this category to include in-kind donations, more precisely defined and categorized.
- Media access, a shift from a preference solely for (equitable and regulated) access to public media towards regulated access to private broadcasting media as well.
- Campaign expenditures: a move from sharply limited (and rarely enforced) expenditure caps to unlimited campaign expenses reported under highly detailed disclosure requirements.
- Oversight, control and sanctions: a shift from brief definitions of regulated phenomena to exhaustive ones, and the formal strengthening of oversight including the introduction of fines for misconduct.

Yet in the process of extensive legal change there remain significant doubts about whether the new party finance regime can be any more successful than its predecessor in actually controlling the “adverse effects of the role of money in politics”(Ohman, and Zainbulhai 2009, 16). It is with that question that this paper concludes in the next and final section.

### **Party law, party finance and party system competition: Clearer regulation, unclear impact**

New research about the legal role of party regulation in this paper and others in this project helps add crucial data to the ongoing argument about the relationship between institutions—especially formal-legal institutions—and underlying structural and cultural forces. We are, fortunately, long past asking whether institutions matter, but we still need to understand *how* they matter and in what circumstances. The question of party regulation in Slovakia provides a small amount of evidence toward finding an answer. Its contribution comes at three levels:

a prima facie party institution level that shows direct but limited impact, a secondary national level that suggests little overall systemic impact, and a deeper regional level that depends on the broader multi-national dataset of which this is a part (but on which we can nonetheless speculate).

### The party level: Examples without impact

At the most immediate level, it is relatively easy to point to specific ways in which party regulation has affected party competition in Slovakia, but these discrete events are relatively rare and in general little impact on overall political outcomes.

- Party formation and registration: In 1994 the Movement for a Democratic Slovakia sought to use petition signatures as the basis for excluding a rival party from parliament, but the challenge was so weak as to be unsuccessful even in the HZDS controlled parliament of the period. In 2012 another formal signature challenge stopped short of removing the party “99%-Civic Voice” from the ballot (Pruskova 2011). The mere process of signature verification may have hurt the party or at least stopped its upward momentum in the polls, but the party 1.6% in the following week’s election was so far short of the 5% threshold as to suggest that this did not fundamentally affect the election outcome.

It is noteworthy that in recent years, especially in 2012, many new parties have sought to bypass the complexities of the party formation process (particularly signature gathering) by acquiring and adapting the registration of a dormant party. In 2012 at least four new parties took this route, and in one case the mechanism was used for as trivial a task as preempting another party's use of a particular name. With several dozen party names currently dormant, this loophole potentially undermines the intent of the registration restrictions.

- Party development: The requirements related to party development are so thin that no party has faced significant sanction for lack of internal democracy. Parties run the full range from the decentralized and chaotic to the centralized and near-absolute rule of the party leader without any concern about legal intervention regarding internal party choices (Rybar 2011).
- Party extinction: While it is almost impossible to judge the effect of party-ideology restrictions on would-be party creators, the actual use of the restrictions has been extremely sparing. Only in the case of the Slovak Brotherhood-National Party (SP-

NS) has a party faced dissolution an ideology inconsistent with democracy as a whole. It is important to point out, furthermore, that in accord with the circumventions discussed above the leaders of the the SP-NS later simply obtained access to an existing but dormant party (the Party of the Friends of Wine, SPV), changed its name to the People's Party-Our Slovakia (LS-NS) and still succeeded in gaining almost 1.5%, (approximately the same as a nearly identical party in the neighboring Czech Republic, suggesting that the struggle imposed little actual harm to the party's electoral appeal.)

- **Party Finance:** The development of a party finance regime in Slovakia has certainly changed behaviors within individual parties, but it is difficult looking at individual parties to determine whether it has merely changed observable behaviors or whether it has had a more fundamental impact that imposes genuine limits (and gives some parties advantages over others). Since parties do not actively discuss such questions, findings tend to be anecdotal, and it is necessary to look at broader systemic methods to unearth patterns that individual-level analysis can suggest but not confirm.

#### The party system level: Unconnected patterns

Of course there are indirect in which regulation may have more significant effects—dogs that did not bark, changes in the overall climate—but these are hard to demonstrate in Slovakia. The country lacks a convenient comparison set, because although the 2005 reforms reflect a major shift in the way that the laws were formally integrated, the changes themselves had appeared piecemeal and gradually over the course of the preceding decade, and it is not easy to look at changes over time that might signify the consequences of the law. Furthermore, in most cases the number of alternative explanations for any party system change makes it difficult to isolate any one cause. In a country that has shifted from post-communist democracy to near authoritarianism and back to a well-institutionalized democracy, from statist to market-oriented, and from national to economic dimensions of political competition, it is difficult to find a distinct role for minor and rather arcane changes in political party laws. Our best hope for testing whether there might be underlying patterns that do not produce apparent impacts on specific parties, it to trace relevant outcomes over time and see if they correspond to any particular legal changes.

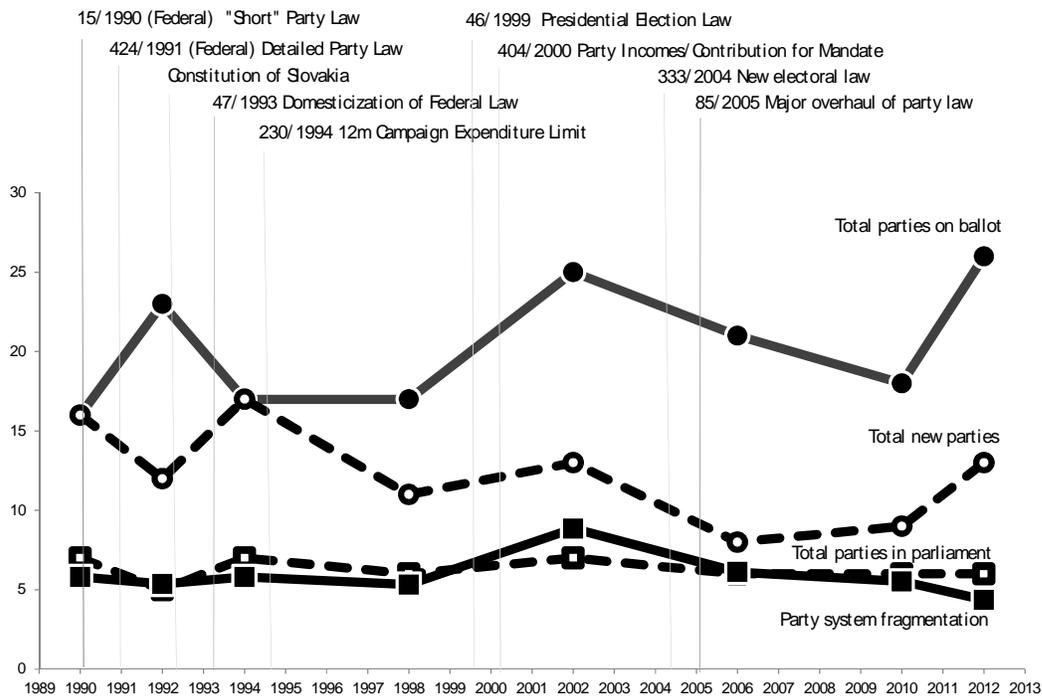
Since party laws and finance regimes are lauded as a tool for maintaining a relatively coherent and stable political party system—or in more partisan terms, to reduce “the impact of those seeking to challenge the political status quo”(Scarow, 2006:629)—changes in such laws

should produce shifts in commonly-used (and easy to measure) indicators including the number of parties contesting elections, the number entering parliament and the overall degree of fragmentation (often equated with party system size). Since Slovakia's party system rests on voting blocs of generally stable size and programmatic preference, and the variation tends to come from a constant low-level process of in party institutions—mergers, splits, eruptions and extinctions. In this context party law and finance could theoretically play an extremely powerful role in shaping outcomes, in practice they do not appear to do so.

Figure 1. graphs these figures over time, along with specific party law, electoral law and party finance regime changes specified in the preceding chapters. As the figure shows, changes in the indicators bear no clear relationship to any particular law, and do not even show much systematic change over time:

- Increases in the party deposit, more explicit regulation and other restrictions on party formation should theoretically reduce the number of parties on the parliamentary ballot, but the trend is flat or slightly upward, with significant variation around the mean. The number of parties campaigning for office rises and falls every decade, but the ten-year cycle has no easy explanation and it seems more likely that this likely reflects random motion.
- Likewise the number of new entrants on the party scene has changed little over time and has risen in recent years despite the more explicit consolidated party law.
- The number of parties in parliament shows no overall trend, hovering between 5 and 8 for the country's entire existence, with a modal value of 6, the level at which it has remained for the last three elections.
- The fragmentation of the party system has fluctuated more than actual number of parties in parliament, but its recent decline can be traced almost exclusively to the rise of Smer, a single large party integrating Slovakia's left (and recently also its Slovak national elements). This cannot be easily traced to changes in Slovakia's electoral system (if anything the arrow would point in the opposite direction).

**Figure 1. Measurements of party system size and fragmentation in Slovakia, 1989-2012, annotated with developments in political party law and party financing regime.**



Source: Štatistický úrad 1990-2012, own calculations

In the realm of party finance, current theory focuses in particular on the role of state subsidy on one hand and state regulation on the other. On the question of subsidy, it is noteworthy that the subsidy has grown considerably in value but the number of parties qualifying for it has remained remarkably stable, corresponding to the number of parties in parliament plus 1-4 others for an average of eight around which there has been little variation during the past 20 years. Furthermore, it does not appear that the subsidy alone has much effect on party longevity. The table below shows shifts in party support from one election to the next for each party at  $t$  and  $t+1$ , thus each party may be represented in the table multiple times in multiple locations.

The table indicates that parties above the 5% threshold in one election tend to remain above the threshold in the next election, but that despite parliamentary visibility and full funding (including the contribution for mandates), 1-in-4 parliamentary parties making it into parliament failed on its *next* attempt. The rates for parties receiving the subsidy are considerably lower: of these (for which there is a smaller population) eight out of eleven fell below even the 3% funding threshold in the subsequent election (and only one succeeded in

entering parliament). While the comparison is only an approximate one, parties between 3% and 5% are actually more likely to drop below the 3% floor than parties below the 3% floor are likely to fail completely. The only indication that the 3% funding threshold has an effect (and it is a slim indication indeed) is that although most non-parliamentary parties with 3% threshold funding fell below the 3% threshold, none of them failed completely until at least two elections later. Thus while the 3% funding mechanism has little impact on subsequent re-entry to parliament, but it is at least theoretically possible that it provides a bit of life-support to prolong the endurance of otherwise moribund parties

**Figure 1. Shifts in public support for political parties between election terms according to funding status.**

Number of party terms meeting criteria		To (Election T+1)				
		Above 5%	3%-5%	0%-3%	Nothing	Total
From (Election T)	Above 5%	35	6	4	1	46
	3%-5%	1	2	8	0	11
	0%-3%	1	0	33	55	89
	Nothing	8	4	48	-	60
	Total	45	12	93	56	206
Percentage of all		To (Election T+1)				
		Above 5%	3%-5%	0%-3%	Nothing	Total
From (Election T)	Above 5%	76%	13%	9%	2%	100%
	3%-5%	9%	18%	73%	0%	100%
	0%-3%	1%	0%	37%	62%	100%
	Nothing	13%	7%	80%	-	100%

Source: Štatistický úrad 1990-2012, own calculations

Determining the role of restrictions on party income and expenditure is even more daunting because these financial categories are far less transparent than state support. Although reporting requirements have indeed become considerably more extensive and explicit than before, they still appear to permit (at least the perception of) significant irregularities, especially since the increased specification related to party expenditure reporting appear to have been uniformly interpreted by the political parties: in 2010 reported campaign spending among the 8 most successful parties varied between 700,000 EUR and 3,100,000 EUR, but spending in the “Other” category ranged from 150,000 EUR and 1,800,000 EUR, and spending in the category of “printing” varied between 514 EUR and 1,500,000 EUR. (Ministerstvo financii 2010). Furthermore, while not completely outside the realm of possibility, it is difficult fully to accept that two months of a highly-visible Slovakia-wide

political campaigns cost only 2.75 EUR per citizen for the eight largest political parties *combined*.

Revenue-side evidence points in the same direction, especially the not-yet-formally-verified but persuasive revelations in Slovakia's "Gorilla" scandal, so called after the leak of the eponymously-named police file purportedly highlighting intimate links and lucrative mutually-beneficial deals between financial groups and politicians in the 2002-2006 government. Although Gorilla offers no hard figures, it suggests an entire hidden world of party finance existing parallel to—and dwarfing—the sums reported by parties in their annual reports, even those with a reputation for being (at least relatively) "clean."

The regional level: "Too early to say?"

While recent clarifications reveal that Zhou Enlai actually did not make this claim about the French Revolution (McGregor 2011), it *does* fit nicely with our current understanding of party laws and party finance regimes. It is too early not only because we have only two decades of evidence in Postcommunist Europe, but also because we are only now gathering comparable evidence for a large number of countries. That collection should help us find broader patterns and, perhaps, resolve some of the thorny questions of causality that emerge when parties make laws about parties. The gradual change of the laws in Slovakia and the low overall level of financial transparency make the Slovak case particularly unsuitable for drawing broader conclusions, and it is precisely for that reason that it is useful to read this work in conjunction with the others included in this project.

The few conclusions we can draw from the case of Slovakia certainly conform closely to the broader patterns found in the other papers in this project, particularly the twin phenomena of relatively limited internal or external regulation and generous state subsidy (Ilonszki and Várnagy 2012, Haughton 2012, Casal Bértoa and Walecki 2012, Rashkova and Sprirova 2012). Governments in the region place relatively few restrictions on their parties, and parties do little by way of "self-regulation" (Ilonszki and Várnagy 2012, 11). Unlike Slovakia, authors in some of these countries can point to the specific effects of particular electoral laws, but in these cases the laws represented more of an abrupt and substantive shift, whereas Slovakia's changes accreted gradually, and its major legal overhaul in 2005 merely involved consolidation of disparate laws without a significant change to their content.

The biggest area of controversy among these works is also the area of greatest uncertainty in dealing with Slovakia's own: the role of state subsidies to parties. On the one hand, all

authors seem to agree that party finance systems are neither enough to sustain an unpopular party (Rashkova and Spirova 2012) nor to prevent the emergence of new party challengers (Casal Bértoa and Walecki 2012, Haughton 2012), but the degree of generosity and the types of restrictions may play at least some role in shaping the birth and death of parties. Closer coordination among the authors in this project may help to identify specific statistical measures that could be applied consistently to all cases that would permit a bigger data set for tracking party change (though this would also require consensus on the difficult question of how to treat non-fatal party transitions such as splinters and mergers) and weighing the relative impact of legal and domestic political factors. Equally interesting is the question of how funding shapes internal party behavior raised in many of the articles here. Casal Bértoa and Walecki refer to Szczerbiak's speculations about the ways in which the promise of party funding may actually inspire rather than discourage new-party efforts, and to Malbin's concern that state subsidy undermines the need to build societal ties. These questions require both macro-analysis based on a broad regional dataset and also micro-analysis of the decision-making within specific parties. And whereas the findings of such micro-research for a single country may appear simply to anecdotal, a multi-country comparison of such research may shows patterns across borders—patterns that may or may not coincide with party law and financial regime—and help to reveal the underlying causes. In a region that faces constant eruptions of new parties that are weakly connected to society as a whole, it is imperative that we use all the resources at our disposal to understand how and why parties emerge and under what circumstances they tie themselves to voters.

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