

## **Social Innovation in Slovakia**

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The term “social innovation“ is relatively unknown in the Slovak context. Although it exists and is developing, this field is more frequently known as social affairs, or the third sector, than social innovation.

The social affairs field is the second most donated to sector within the Slovak budget. Expenditures are distributed as social transfers rather than support of developing projects – mainly pensions, unemployment allowances or other state benefits.

While the concept of social innovation is not well known in Slovakia, the field of social affairs and policy is widely researched at institutions and departments e.g. Slovak Academy of Sciences, independent institutions and non-profit organisations, as well as being taught at many Slovak universities. Supported by the EU structural funds, the biggest Slovak university, Comenius University, established the new Center of Excellence for social innovations. Its main aim is to develop human, social and cultural capital through researching strategic social innovations in the context of globalisation, Europisation and transformation in the Slovak Republic and abroad.

The main state institution governing the field of social affairs is the Ministry of Labour, Social Affairs and Family of the Slovak Republic. With the broad social innovation’s definition it is also possible to assign the responsibility in this field to the Ministry of Education or Ministry of Culture. In 2011 Slovakia established the post of Plenipotentiary of the SR Government for the Development of Civil Society. This post’s main tasks are coordinating activities to develop civic activities and strategy preparations.

The third sector representing the social innovations field in Slovakia is funded in the following ways. A mechanism that reallocates 2% of taxes of people working in the physical and legal sectors to NGOs has been in place since 2003. In 2012 more than 44 millions € were collected this way. Since 2011 the contribution of legal employees has gradually decreased to 0,5 % and is now compensated by company donations. The next, slowly developing method, is voluntary contributions of people working in the legal sector. Many companies have established their own foundations and grant schemes through which they support different social innovations. The third way is funding by Norwegian and Swiss grants. Nevertheless, this type of financing is slowly being redirected to economically less-developed countries. EU structural funds represent another possible funding source. However, due to the low eligibility of the third sector, insufficient volume of calls and administrative complexity, the effectiveness of this financing remains insufficient. Public sources are assigned also in the grant schemes of some ministries. Part of the funding comes also as a levy from gambling. Also, municipalities support social innovations through direct financial aid, charges relief or via directly creating and establishing social innovation or enterprises. In addition, churches’ involvement in social innovation’s field should be mentioned.

Undoubtedly, the biggest social problem in Slovakia is persistently high unemployment currently oscillating around 14%. In addition to economic consequences on the national level, this also leads to social and psychological consequences and loss of work habits for the unemployed. Inappropriate education and inability to gain experience and find a job after studying leads to high unemployment rates among the younger generation. In addition to the economic impact of the structural and economic reforms, the economic crisis in recent years pushed unemployment in several regions to over 30%, creating a vicious cycle of poverty and hunger.

The second major long-term challenge is the Roma issue. Malfunctioning integration, lack of understanding and unwillingness on both sides leads to a gradually escalating problem. It is possible that its importance will grow, as shown by the regional elections and the success of extremist politics rhetoric built against the Roma ethnicity. According to the latest estimates, the number of Roma population is around 400,000 with a forecasted increase to 600,000 by 2030.

Common problems like many Western European countries are aging of population and declining fertility. A major problem is the state of health care and corruption.

Although these problems need solutions especially at the national level, social innovation in Slovakia has helped significantly to minimize their negative consequences. Many Slovak social innovations could serve as an inspiration and pattern for other countries.

## References

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