Slovak Republic

Area 49,000 sq km Population 5.4 million, 81% Slovak, Hungarian 9%, Roma 2%; 66% Roman & Greek Catholic
Labor Force 2.7 million Unemployment 13% (2013 est)
By Sector - Agriculture 4% Industry 26% Services 71%
GDP US$ 153 billion Per capita $28,100 Growth 2.1%
Per sector Agriculture 3% Industry 30% Services 67%
Exports US$76 billion machinery, nuclear reactors, iron
Germany 23%, Czech Rp 14%, Europe (other) 37%
Imports US$80 billion machinery, vehicles. Fuel/oils
Germany 19% Czech Rp 17% Europe other/Russia 29%

The Slavs arrived in the territory of present day Slovakia in the 5th and 6th centuries and in the 9th century formed the state of Great Moravia. Subsequently, in the 10th century, they became part of the Hungarian Kingdom, where they remain for the next thousand years. Following the formation of the dual Austro-Hungarian monarchy in 1867, language and education policies favoring the use of Hungarian resulted in a strengthening of Slovak nationalism and cultivation of cultural ties with the closely related Czechs, who were under Austrian rule. After the dissolution of the Austro-Hungarian Empire at the close of World War I, the Slovaks joined the Czechs to form Czechoslovakia. During the interwar period, Slovak nationalist leaders pushed for autonomy within Czechoslovakia and in 1939 Slovakia became an independent state allied with Nazi Germany. Following World War II Czechoslovakia was reconstituted and came under communist rule within the Soviet dominated Eastern Europe. The peaceful “velvet revolution” swept the communist party from power at the end of 1989 and inaugurated a return to democratic rule and a market economy. On January 1st 1993, the country underwent a nonviolent “velvet divorce” into its two national components Slovakia and the Czech Republic. Slovakia joined both NATO and the EU in the spring of 2004 and the euro zone on January 1st 2009.

Slovakia is a parliamentary democratic republic with a multiparty system. The Slovak head of state is the president, elected by direct popular vote for a five year term. Most executive power lies with the head of the government, the prime minister, who is usually the leader of the winning party, but needs to form a majority coalition in parliament. The prime minister is appointed by the president and the remainder of the cabinet is appointed by the president on the recommendation of the prime minister. Slovakia’s highest legislative body is the 150-seat unicameral National Council; delegates are elected for a four-year term on the basis of proportional representation.

The Slovak economy is a developed, high income economy and successfully transformed from a centrally planned economy into a market driven economy. Before the financial crisis of 2007-2008, Slovakia had experienced high and sustained economic growth. In 2007, 2008 and 2010 (with GDP growth of 10.5%, 6% and 4%), Slovakia was the fastest growing economy in the European Union. In 2011 and 2012, Slovakia was the 2nd fastest growing economy in the European zone after Estonia. In 2012, more than 75% of the Slovakian exports went to, and more than 50% of Slovakian imports came from, other European member states. Slovakia is an attractive country for foreign investors because of its low wages, low tax rates and well educated labor force. Although Slovakia’s GDP comes mainly from the service sector, the industrial sector plays an important role within its economy. The main industrial sectors are car manufacturing and electrical engineering. Since 2007 Slovakia has been the world’s largest producer of car per capita (Volkswagen, Peugeot Citroen and Kia Motors). It also has a significant electrical industry, with Sony and Samsung manufacturing computer monitors and television sets.