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# Sinfo

**Prof. dr. Franjo Štiblar:**

The crisis is coming to Slovenia with a delay

**Pavel Gantar:** It is normal for people in the Parliament to be in dispute. We will have a problem when there are no more disputes

**Oktober** – a competitive trademark in the international world of fashion design

**Feri Lainšček**  
Writer, poet and dramatist







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## DEAR READERS,

this number of Sinfo will bring us into the New Year. 2008 was full of challenges, new experiences and amazing results. It was the year when Slovenia successfully presided over the Council of the European Union, which hopefully put more visibility on our country and our achievements. The New Year will bring many new challenges on all levels and in different fields - from the first year of the new government to the confrontation with the changed economic situation. And Sinfo will also get a new makeover. We shall make it a monthly information magazine again, with only slightly changed graphic design. We want to follow interesting events, people and developments all over Slovenia - from culture, education, research, arts, science, and economics to politics. An informative, curious, analytical, exploratory, summary for all of our readers, those already familiar with the magazine and hopefully many new ones - a pleasant way to learn about Slovenia.

With this number I would like to welcome you myself in my new capacity. I am positive we shall share constructive dialogue and interesting exchanges of views.

In this number you will learn more about the new president of the Parliament, Dr. Pavle Gantar, and in succeeding issues we will try to bring you more in-depth information about other leading people in Slovenia.

We are entering a globally difficult and challenging period, and Slovenia will contribute at its best to help solve these challenges, especially the world economic crisis. In this number, Dr. Franjo Štiblar tries to show the challenges that we are facing in our country.

The word crisis is definitely not the best way to close my first words at Sinfo, unless we only see it as a new challenge for all of us to find new ideas, new programs, and new ways of communicating.

In this holiday season, I wish each and every one of us, as well as our families and friends, a lot of personal happiness and professional success.

# MONTHLYREPORT

## KOZMUS, ŠESTAK NAMED TRACK AND FIELD ATHLETES OF THE YEAR



Marija Šestak and Primož Kozmus.

Olympic hammer gold medallist Primož Kozmus and triple-jumper Marija Šestak, who finished sixth in Beijing, were declared Slovenian track and field athletes of the year on 15 November. Kozmus had an incredible season: having won gold in Beijing, he continued with a streak of victories at meets around Europe and capped it off with a win at the World Athletics Final in Stuttgart. Šestak won bronze at the World Indoor Athletics Championships in Valencia before bagging sixth place at the Olympic Games and finishing third at the World Athletics Final. The two won by overwhelming margins in a vote that involved sports reporters and athletics professionals.

## SLOVENIAN ARMY TO LAUNCH NEW RECRUITING CAMPAIGN

The Slovenian Armed Forces are to launch a media campaign aimed at recruiting professional soldiers, contractual reserve soldiers and voluntary reserves, and attracting staff through scholarships. The campaign, under the slogan "Proud of Yourself", is expected to attract hundreds of new soldiers every year. With the new campaign, the Slovenian army wants to boost its presence in the public and promote the opportunities offered by the army as a "stable and reliable employer, which will employ also in the future," spokesman Simon Korez said on 14 November. According to Korez, the campaign is expected to attract about 300 new soldiers every year. It is expected that the number of staff will continue to fluctuate because of retirement and other reasons, he said, adding that 45 members of the Slovenian army retired this year, and even more would do so in the following years. He admitted that one reason for many departures from the Slovenian army has been salaries, which have to date been very low. According to Korez, the Slovenian army is making efforts to make the military profession more attractive in terms of future pay.

Text: DANILA GOLOB, Photo: STA

## CLIMBING: BEČAN WINS WORLD CUP MEET IN FRONT OF HOME CROWD



Slovenian sports climber Klemen Bečan.

Klemen Bečan, a 26-year-old Slovenian sports climber, triumphed in front of the home crowd at the final world cup meet of the season at Kranj on 16 November, recording the first win of his career. Maja Vidmar took second place in the women's lead competition, having to concede defeat to Austria's Johana Ernst. Bečan, whose best results among the world's climbing elite so far have included two third places - in Chamonix and at the European Championships in Paris - finished first ahead of Jorg Verhoeven of the Netherlands and Spain's Patxi Usobiaga Lakunza. Verhoeven finished on top in the season's overall lead rankings.

"I only came to Kranj to enjoy myself and this is also what I did - I did not dare to expect such a success," the Slovenian national champion said after event.

## PRESIDENT TÜRK: GENERAL MAISTER SET COURSE OF SLOVENIAN HISTORY

Without the resoluteness and capability of General Rudolf Maister, all of Slovenian history after WWI would be different, President Danilo Türk said in an address on 22 November at the ceremony marking the 90th anniversary of the battle fought by General Maister for what later became Slovenia's northern border.

"It is rather unlikely that without his resoluteness we would even see our independence and our state sovereignty," Türk said on the eve of Rudolf Maister Day.

The securing of Slovenia's territorial integrity on the north was a foundation for the existence and development of the Slovenian nation as a political nation, Türk noted. The resistance movement in WWII put Slovenia among those helping to create the modern world order, while its declaration of independence in 1991 proved that Slovenians are worthy of self-determination and own state, he added.

Türk, however, highlighted Slovenia's lack of true experience, saying that the experience of Slovenia before independence was not especially useful, being linked to an ideological project no longer existing - socialism.

The experience of Slovenia after 1991 is, on the other hand, scarce, since the country was mostly focused on entering the EU and NATO. This brought Slovenia security, and it did take its chance "to first truly experience what it means to be a sovereign country," Türk noted. The president also touched on the situation

of the Slovenian minority, expressing concern over Italy's plan to cut funding. The situation of the minority in Hungary is not satisfactory, he noted, and also commented that Austria had still not fulfilled its obligation to set up bilingual signs and other requirements stemming from article 7 of the Austrian State Treaty.

Rudolf Maister Day honours 23 November 1918, when General Maister took control of Maribor and in effect secured what later became Slovenia's northern border. It is largely due to his work that Maribor and the northeast of Slovenia became part of the new Yugoslav state rather than Austria, following the break-up of the Austrian Hungarian Empire. Maister was in command of the regional headquarters at the end of WWI, and in 1918 assumed command of Maribor and the Slovenian part of Carinthia. He set up a Slovenian army of 4,000 soldiers, disarmed the German Schutzwehr security service and disbanded the army of the German city council. The general then occupied predominantly ethnically Slovenian territory, establishing the northern border between Austria and Yugoslavia that was later ratified by the Saint Germain Peace Treaty. The border between Slovenia and Austria has not changed since.



Slovenian President Danilo Türk (left) begins Croatia visit by inspecting a guard of honour with Croatian counterpart Stipe Mesić.

## TÜRK PAYS FIRST VISIT TO CROATIA

Slovenian President Danilo Türk began his first official visit to neighbouring Croatia on 26 November by stating that he had not launched any new diplomatic initiatives as these would be up to the new Slovenian government to consider.

Türk and his host, Croatian President Stipe Mesić, agreed at a joint press conference following the talks that co-operation between their countries was strong, but could be even better. The president said his position in principle was that intensifying bilateral relations and co-operation, including through visits as this one, was relevant to the resolution of bilateral issues.

Mesić meanwhile urged tolerance and further talks in a bid to tackle bilateral problems, if necessary with the help of a third party. Mesić agreed with Türk that the meeting created the atmosphere for a more constructive approach to the issues. The pair broached the matter of the border, Türk said, adding that the sides should stick to the rule "uti possidetis juris", a principle stating that newly formed states should have the same borders that they had before their independence.



Public Administration Minister Irma Pavlinič Krebs.

## PUBLIC ADMINISTRATION MINISTER RECEIVES OECD DELEGATION

Public Administration Minister Irma Pavlinič Krebs on 26 November received a delegation of the public administration committee of the Organisation for Economic Co-operation and Development (OECD), which is wrapping up a working visit to Slovenia.

The visit was aimed at reviewing the situation in individual areas covered by the committee on the basis of a report on Slovenia, which is aspiring to become an OECD member, the Public Administration Ministry said.

The head of the delegation, Martin Forst, acquainted Pavlinič Krebs and the state secretary at the ministry, Branko Lobnikar, with the activities of the OECD committee.

The minister meanwhile addressed the delegation, and presented the plans and concrete goals of the new government in the field of public administration. According to her, the government will follow best practice guidelines pursued in this area by the previous Slovenian government, EU Member States and OECD members. She added that the government and her ministry, as co-ordinator of activities in this area, would pay particular attention to the elimination of the democratic deficit in the drafting of regulations.

## PM SAYS NATIONAL IDENTITY OF MINORITIES MUST BE PRESERVED

Prime Minister Borut Pahor stressed the importance of preserving the national identity of minorities as he addressed a ceremony marking the 50th anniversary of the Hungarian minority's radio programme in Slovenia.

Pahor told the event in Lendava on 29 November that the state would not cut funding for the minorities in Slovenia, in contrast to the situation in Italy, where the state has decided to reduce such funding. Slovenia must not only preserve but also strengthen its openness, the prime minister stressed. He added that the country's success depended on the ability of the people to accept diversity.

The ceremony also marked 30 years of the Hungarian minority's TV programme. The first Hungarian radio show in Slovenia was broadcast on 29 November 1958 and the first TV show on 25 October 1978. The radio programme is today heard by some 120,000 listeners in the Prekmurje region, which is home to the majority of Slovenia's several thousand strong Hungarian minority, as well as across the border. The minority TV programme produces four 30-minute shows a week. A total of 6,200 people declared themselves as ethnically Hungarian during Slovenia's last census in 2002.



## SLOVENIA GETS EUR 5.5M FOR IMMIGRATION PROGRAMME

On 1 December, the European Commission endorsed Slovenia's programme for the integration of immigrants for 2007-2013, which is part of the European Fund for the Integration of Third-country nationals. Slovenia will receive EUR 5.5m for the programme.

The fund strives for an equal distribution of responsibilities among the EU Member States in governing external borders and implementing common immigration and asylum policies. The Commission funds national programmes to help countries regulate immigration, officials said.

Slovenia opted for three out of four strategic priorities of the fund: putting into practice the Common Basic Principles for immigrant integration policy in the EU, development of methodologies to assess progress, and intercultural competence building in Member States across the different levels and departments of government.

The Commission also endorsed the first two annual programmes for 2007 and 2008, which include programmes about the Slovenian language, history and culture for third-country nationals, information brochures and initiatives for intercultural dialogue.

## SLOVENIA AND CROATIA AGREE TO BOOST MUTUAL TRUST



Foreign Minister Samuel Žbogar.

On 2 December, Slovenian and Croatian foreign ministers agreed on ways to enhance mutual confidence and respect in order to facilitate resolution of outstanding bilateral issues, Slovenia's Samuel Žbogar said after his first meeting with Croatian counterpart, Gordan Jandroković, in Brussels.

The countries will strengthen mutual trust, respect and understanding by deepening relations and co-operation, including with top-level visits. "We have agreed to establish a regular form of communication between both ministries so that we can expand co-operation to a number of fields," Žbogar told

reporters in Brussels.

Open issues with Slovenia are a stumbling block in Croatia's accession talks with the EU. These stalled after Slovenia had demanded that Croatia remove documents that seek to predetermine the course of the border between the two countries, which has not yet been determined. "We are currently close to reaching a solution acceptable to both sides, but need to wait a little longer to find a solution which I trust will be acceptable to both Slovenia and Croatia," Jandroković said.

The French presidency of the EU has put forward a compromise solution under which Croatia would commit itself in writing not to prejudge the border issue in the accession talks. Slovenia is expected to present amendments to the solution shortly.

The presidency and the European Commission would like the impasse to be removed by the accession conference between the EU and Croatia on 19 December. Croatia would like to open ten and close five of the negotiating chapters at that point. Six out of the ten chapters the country would like to close are problematic for Slovenia because of the border issue, while the remaining four contain other elements which the countries still need to resolve. Žbogar and Jandroković met on the sidelines of the NATO ministerial.

## SLOVENIAN FM MEETS NATO SECRETARY GENERAL

Foreign Minister Samuel Žbogar held his first meeting with NATO Secretary General Jaap de Hoop Scheffer on the fringe of the NATO foreign ministers' meeting on 2 December. The talks revolved around the Western Balkans and Slovenian co-operation in NATO operations, especially in Afghanistan, Žbogar said.

The minister underlined Slovenia's interest in bringing the countries of the Western Balkans into the EU and NATO as soon as possible, as this would improve the security of Slovenia and Europe. When asked about plans on the Slovenian presence in Afghanistan, Žbogar said it was too soon to talk about it. "The coalition agreement states that we will rethink the Slovenian presence in Afghanistan," he said and explained that this does not necessarily mean change.

The issue of participation of EU countries in Afghanistan is always on the agenda of NATO, while an even stronger call from the US for EU members to strengthen their presence in Afghanistan can be expected after Barack Obama's administration is in office.

Žbogar pointed out that Slovenia would continue to take an active role in common forming and implementation of the alliance's policies. Slovenia has proved its credibility with active participation in discussions and operations, he said.

Žbogar also invited NATO Secretary General to visit Slovenia in 2009, when the organisation is celebrating its 60th anniversary.

## MPS URGE GOVT TO HELP MINORITY IN ITALY

On 2 December, the parliamentary Commission for Slovenians Abroad urged the appropriate authorities to take action regarding budget cuts in Italy that will deprive the Slovenian minority there of much-needed funding. The government should respond energetically and use all bilateral avenues to tackle the problem, the commission agreed.

The call came after MPs were told about the problems by the chairs of the Council of Slovenian Organisations (SSO) and Slovenian Cultural and Economic Union (SKGZ), Rudi Pavšič and Drago Stoka. The Italian budget for the 2009-2011 period, which



Minister for Slovenians Abroad Boštjan Žekš.

still requires approval from the Senate, envisages cuts in funding for the Slovenian minority from the current EUR 5.25m to EUR 3.12m by 2011. The cuts are seen as a serious threat to the very survival of the minority. They are coupled with an education reform that would close down most small schools, Slovenian-language schools being no exception.

Minister for Slovenians Abroad Boštjan Žekš said that the situation for the minority was promising over the long term, but pressure by Italy nevertheless poses a threat to its survival.

Žekš noted that the amount of money in question was negligible for Italy but vital for the minority: "Italy cannot save at the expense of the weakest elements of society."

## BARROSO HAPPY ABOUT SLOVENIA'S COMMITMENT TO THE EU



Prime Minister Borut Pahor (left) and European Commission President Jose Manuel Barroso (right) talking to the press after their meeting.

Prime Minister Borut Pahor met the European Commission President Jose Manuel Barroso, on 2 December. Barroso was happy to see Pahor's first trip abroad was to Brussels. This, he said, reflected Slovenia's commitment to the EU, and Pahor's experience as one of Slovenia's MEPs would be valuable in future challenges.

Barroso welcomed Slovenia's support for EU's measures to curb the consequences of the economic crisis. He commended Slovenia because its crisis measures were in line with those proposed by the EU.

Pahor said that a political consensus had been reached in Slovenia that the government was to focus on the economic downturn. "We set up a special task force within the government and we decided to launch a broad social dialogue which will include companies, trade unions, pensioners, the young and universities," said Pahor.

The pair also touched on motorway toll stickers, a topical issue

after Slovenia received a reprimand for discriminating against non-Slovenian road users with its six-month and one-year vignettes. The European Commission recently cut funding for two Slovenian motorway projects as a direct result of the toll stickers, but Barroso said he was "cautiously optimistic" today regarding the Slovenian tolling system. "I believe a solution can be found," he said. It is unclear what will happen next on this issue, as Transport Minister Patrick Vlačič recently said Slovenia would not be changing the system this year.

Barroso also urged Slovenia to back the EU working time directive, which will undergo a vote in the European Parliament on 17 December. But Pahor was reserved, since Slovenian trade unions expressed their concern over the directive last week and asked Pahor to work to reject the latest proposal. "The difference between decisions on a similar issue in 2005 and in 2008 is consensus by social partners: In 2005 we had consensus, whilst in 2008 we do not," Pahor said.

## PAHOR SIGNALS CROATIA THAT TIME IS RUNNING OUT

After a meeting with the President of the European Parliament on 3 December, Hans-Gert Pöttering, Prime Minister Borut Pahor said that Slovenia had put forward a proposal for resolving the gridlock in Croatia's EU negotiations. It is now Croatia's turn to respond, but time is running out, he added in Brussels.

Pahor reiterated his position that Slovenia was a supporter of Croatia's EU accession, but needed to protect its own national interests. He added these were in peril as a result of Croatia having sent to the European Commission documents which could be understood as prejudging the border between the two countries.

"This is why we have put forward an initiative to the French EU presidency that would enable the situation to be resolved in a way that would make it clear to...anyone potentially involved at any time in judgments on the border that Croatia did not prejudice the border with these documents," Pahor said.

If this condition is met, Slovenia will examine the possibility of giving its consent "to some of Croatia's negotiation chapters being opened and some closed."

Pahor believes there is a chance that a solution can be found in the coming weeks. It is, however, first necessary to wait for the response of the French presidency and then for Croatia's. He said he had made it clear to all the key players in Brussels that Slovenia needs "strong guarantees" from Croatia.

Pahor met with EU High Representative for the Common Foreign and Security Policy Javier Solana, Deputy Secretary-General of the Council of the EU Pierre de Boissieu, European Commission President Jose Manuel Barroso, European Commissioner for Enlargement Olli Rehn, and Commissioner for Science and Research Janez Potočnik.

Pöttering said that the European Parliament was in favour of Croatia's EU membership and called for solidarity. All needs to be done to resolve this problem, and good will is necessary on both sides, he added.

The European Parliament is meanwhile waiting for the report of Croatia rapporteur Hannes Swoboda. Swoboda labelled Slovenia's idea as good, saying he had already received positive signals from Croatia. He said he hoped that Croatia would accept the offer, arguing that he found it fair. According to Swoboda, the proposed solution could mean a way forward, for otherwise the negotiations would be blocked. If Croatia refuses to accept the offer, it needs to realise that the prospect of wrapping up negotiations in 2009 is out of the question, he

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said.  
The meeting with Pöttering wrapped up Pahor's two-day visit to Brussels, his first visit abroad after becoming prime minister.

## TÜRK AND CANADIAN GOVERNOR GENERAL PRAISE RELATIONS



President Danilo Türk received Governor General of Canada Michaëlle Jean at Brdo pri Kranju on 3 December, praising relations and stressing the importance of co-operation in different areas. He highlighted Canada's experience with multiculturalism.

The pair praised the good relations between Canada and Slovenia, with Türk saying that they paid special attention to ethnic relations and to Canada's multicultural experience.

This experience is very practical and tangible and can be very helpful to Europe, which is being faced more and more with questions of immigration, Türk said.

Jean expressed readiness to share Canada's experience with Slovenia, stressing that citizens needed to be at the centre of social considerations.

"We have so much in common," Jean said in a statement for the press. She added that President Türk's efforts to protect minority rights, further multicultural dialogue and build a society of social peace and harmony were very much appreciated. She congratulated Slovenia for what it has achieved in the short time since independence, including its EU presidency, which she said was an inspiration for Canada in its relations with the bloc.

Türk pointed to the good record of co-operation between Canada and Slovenia, also within the framework of different international organisations. He added that it is important that it be expanded further, saying he would welcome Canada opening an embassy in Slovenia.

## SLOVENIA TO RATIFY CROATIAN AND ALBANIAN NATO PROTOCOLS SOON

Slovenia will ratify the NATO accession protocols of Croatia and Albania before the alliance's summit in April next year, Foreign Minister Samuel Žbogar said after a meeting of NATO foreign ministers in Brussels on 3 December.

Slovenia is likely to launch the ratification process in the coming weeks. The protocols need to receive the stamp of approval from the government and the backing of the parliament.

In debate, Žbogar stressed the need for NATO's expansion to the Western Balkans. "I singled out Macedonia, which we hope

will receive an invitation to join next year. I also mentioned Montenegro, which we hope will receive a Membership Action Plan," Žbogar told the press.

Recapping other topics discussed at the meeting, Žbogar said that NATO member states agreed to gradually and conditionally revive political dialogue with Russia, which was disrupted as a result of the conflict with Georgia. "Slovenia sees this decision to be a decisive, important, necessary and appropriate step, especially from the point of view of the integrity, stability and security of the Euro-Atlantic area," the minister said.

## ŽBOGAR DISCUSSES MINORITY BUDGET CUTS WITH ITALIAN COUNTERPART

Slovenian Foreign Minister Samuel Žbogar met his Italian counterpart Franco Frattini in Brussels on 2 December to discuss the proposed cuts in Italy's funding of the Slovenian minority. If the minority experiences problems after six months, it will get additional funds, Žbogar said.

Italy is cutting funds equally across the board, Frattini told Žbogar, adding that the government was looking for ways to increase funding for minorities in the next days. Frattini added that after six months the government would check if the minority had any problems and would then award additional funds in the middle of 2009 if the money could not be secured now, Žbogar told reporters. "They are aware of the problem and are looking for solutions," said the Slovenian minister, who was satisfied with the meeting.

The proposed state budget, which envisages drastic cuts in the funds for the Slovenian minority in 2009-2011, was endorsed by the lower chamber of the Italian parliament in the middle of November, while the upper chamber will vote on it next week. The proposal cuts minority funding in the Friuli-Venezia Giulia region by EUR 1m in 2009, by EUR 1.5m in 2010 and by EUR 2.2m in 2011.

## SLOVENIA SIGNS CLUSTER BOMB TREATY

Slovenia signed an international treaty banning the use of cluster bombs at an all-day ceremony featuring more than 100 countries, in Oslo on 3 December.

The Convention on Cluster Munitions was signed on behalf of Slovenia by Foreign Ministry State Secretary Dragoljuba Benčina, the Slovenian Foreign Ministry said. Slovenia's signature was one of more than 100 entered on the document in the Norwegian capital. Notable omissions include the US, China and Russia, which are among the world's biggest producers of the weapons.

Cluster bombs are designed to open as they approach impact with the ground, spraying dozens of bomblets around a wide area. Campaigners for their ban have labelled them as immoral because of their lack of accuracy and the danger posed to civilians by unexploded bomblets that litter wide areas.

The treaty includes a definition of cluster bombs and bans their use, development, production and other means of acquisition or stockpiling.

The Slovenian Foreign Ministry said in a statement that this was one of the most important documents adopted in the field of humanitarian law in the past decade. Signatories to the convention must destroy all stockpiles of cluster munitions (bar those required for training) within eight years and clear all areas under their control of such munitions within ten years. The Foreign Ministry said Slovenia had minimal stockpiles of cluster munitions, which it did not use in military operations.





# The world financial crisis and Slovenia

## THE CRISIS IS COMING TO SLOVENIA WITH A DELAY

Slovenia is experiencing the world financial crisis and economic recession with a certain delay regarding its perception in the public, political sphere and scientific circles. In reaction to it, gradual adjustments with "sui generis" solutions should be adopted. A similar approach was used successfully at the beginning of 1990, during the quest for independence and the transition to a market economy based on private ownership.

The country is not significantly exposed to toxic securities and does not hold shares in the collapsed US investment banks in large amounts. But due to undesired developments in the last couple of years, Slovenia became more vulnerable to negative external influences. The weakening of its protective mechanism is caused by the increasing leveraging (indebtedness) of households (average debt is 30% of GDP or 2/3 of the annual wage bill), companies (with overly large investment projects in recent years), financial institutions (the banks' credit-to-deposit ratio is 1.6) and the country per se. Slovenia's balance of payments deficit as a share of GDP increased to 4.9% in 2007, and is around 6% in 2008, while net external indebtedness increased towards 25% of GDP. Luckily, Slovenia became a member of the EMU and adopted the euro in 2007, which is protecting it against speculative exchange rate attack.

The negative external effects on the Slovenian economy come from the credit crunch and/or higher banking interest rates, despite their decrease by the ECB to 2.5%; declining exports due to recessions in the country's major export markets in the EU (the auto industry in Germany, France, Italy); and from the danger of bank liquidity flight, especially from subsidiaries of foreign banks in the country. In addition, prices of domestic real estate seem to be moderately inflated, although there is no bubble similar to the one experienced in the USA, England, Spain or Ireland.

## ADOPTED AND PROPOSED MEASURES IN SLOVENIA

Up to the end of November 2008, Slovenia adopted some, and proposed other, specific measures supporting citizens, banks and other financial institutions and enterprises in the real sector during the financial crisis and recession in the real sector of the economy.

a) Support for citizens includes unlimited guarantees for deposits in banks by the state until 2010, added as new provisions in the banking law;

b) Support for the financial sector, above all banks, is formulated in three steps, with increasing state involvement. First, the state guarantees bank borrowings at home and abroad; it should be extended to enterprises, and with reasonable interest rates charged by banks to the real sector; 12 billion Euros are earmarked for the next two years (around one third of GDP). Second, the state borrows at home and abroad by selling

<sup>1</sup> Professor at the School of Law, University of Ljubljana, and scientific advisor at the EIPF Institute. The article is based on a chapter from the author's recently published book: Svetovna kriza in Slovenci, ZRC SAZU, December 2008.

securities, and gives credit or deposits money in banks. Third, direct state capitalization of banks (insurance companies), which means nationalization as the ultimate measure, if the others fail.

c) To support the real (enterprise) sector the exiting government has already proposed tax relief for enterprises for several forms of investment: for regular investment (from 20% to 30%), for investment in research and development up to 40%, and for investment in less developed regions, an additional 20% relief.

The new government, which came into the office at the end of November 2008, is preparing a comprehensive program of support for the real sector, including the transfer of social security contributions to a later period, and further tax relief and some other support. It will be most probably adopted in January 2009, which is relatively late for some companies presently under recession pressure.

Measures by government at macro level should include all the support given to the enterprise sector by other countries, so that a level playing field is maintained for Slovene companies. They include fiscal measures and specific support for enterprises. The criteria for them are that the enterprise is strategically important for Slovenia and has a long term chance of survival (adequate strategy). If the infrastructure is strategically important, the question is what to include in infrastructure: only energy, transportation, or also the larger trade and financial institutions.

Domestic final demand can not be an adequate substitute for declining exports in the small, highly open Slovenian economy. Therefore, major support should be directed towards big exporters. In this sense, decreasing some costs would help retain the international competitiveness of exporting companies. Among such measures are: temporary enterprise relief regarding social security contributions and tax relief for investments in technology

Increasing the flexibility of the labor market also seems an appropriate strategy to enable companies to adjust more easily to declining market demand and activity. It means fewer hours of work, more work-free days. From the financial and psychological point of view, it seems better to retain people in employment (if at least variable costs are covered by the price of a product) than increasing the army of unemployed. One of the strongholds of the Slovenian economy, negotiating a social contract between social partners, should play an important role in the present crisis: workers and pensioners should temporarily give up their requests for increasing minimum wages and pensions in return for a flexible job retaining schedule rather than lay-offs. Quickly declining inflation towards from 6.9% to 3% in recent months will help to make bearing the social burden easier.

## WHAT SHOULD THE FINAL RESPONSE TO THE CRISIS BE?

As in other countries, Slovenia should use the crisis to restructure and reinvent the economy.

Banks should return to their core business, which is collecting deposits and extending loans. Domestic retail banking should be the major source of the financial resources of banks, not external loans or injections from the ECB. Banks should

strengthen their balance sheets by increasing reservations, tier one capital, improving liquidity and improving the prudence of risk management. To return trust and credibility to the banking system it is much more important for the central bank ECB to define a definite period for the liquidity window it has opened for banks than its further decreasing interest rates. That is, the present very low central bank discount rate of 2.5% (in the USA 1%, Bank of England 2%, or Bank of Japan 0.3%) indicates already the presence of a liquidity trap and thus the impotence of further interest rate cuts in the future.

Insurance companies should review their investment portfolios, and offload very risky assets and diversify investments. Insurance companies should carefully choose reinsurance companies they work with, so that their reinsurance is secure. Back to the core business for them means, getting out of unit products, enforcing more mutual forms of insurance, and achieving positive technical results by covering all loss payments with received premiums.

Enterprises in the real sector should first implement internal measures, including improving efficiency, to retain competitiveness in domestic and external markets, and look for new markets (countries with expected relatively higher growth during the recession, such as China, Western Asia oil exporters, Russia, and especially the Western Balkans for Slovenia) with new products (inventions). In addition, further external support should come from the government. Support for exporters remains the first priority for the small and very open Slovene economy, using temporary relief from some taxes and social security contributions. In addition, those investment projects in private-public partnership should be supported which give quick results with a high multiplier for activity. During stock exchange busts, domestic blue-chips should be protected by the state from undesired hostile foreign takeovers, similarly to Sarkozy's idea for France. The government's direct support should be based on criteria of the long-term viability of company.

Private citizens should be more careful, first, in allocating their potentially lower income between consumption and savings, and second, in choosing ways to invest their savings. Besides potential profit, risks and liquidity of investments should be taken into account as well. Until recently, this was not the case for many Slovenes, who were unprepared for the rules of financial markets pushing them into significant losses, at least in the short run.

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Globally, significant changes are expected and needed. One answer needed is how to avoid the "paradox of thrift" in the present situation and revive the world economy. Other systemic changes which are required include the formulation of renewed financial architecture in one of two directions. The first is to make the whole world a "level playing field" for all economic agents, which would require unitary (uniform) world regulation and supervision (in a sense, global economic and financial government). The question is, whether such a uniform world solution is politically viable at present, directly attacking the sovereignty of nations. The alternative to this are protection measures for regions and countries to prevent the financial epidemic from happening again. At the micro level of individual enterprises or financial institutions, the criteria of "maximizing shareholder value", which is causing present problems in the reality of imperfect competition, will need to be replaced by the criteria of "solid profits for shareholders, with care for the protection of the social and ecological environment at the same time".





## Gore Promotes Climate Change Debate in Slovenia

**Former US Vice President turned environmental activist Al Gore paid a highly publicised visit to Slovenia on 10 December aimed at promoting the debate on climate change. He met with the highest Slovenian officials, including President Danilo Türk and Prime Minister Borut Pahor.**

Global warming and the future of the global economy dominated the talks between the Nobel peace prize winner and Türk. The pair called for thorough changes to the way the world deals with environmental issues, the Slovenian president told the press after the meeting.

Gore hopes that new times will bring change, while Türk said he was looking for Slovenia to be given a greater say in global decision making on environmental issues.

Gore, who visited Slovenia at the invitation of Diners Club Slovenia, also commended Slovenia for its achievements since independence, noting that during his term as vice president

Slovenia underwent a successful transition.

Later Gore addressed Slovenian businessmen and politicians at a meeting organised by the American Chamber of Commerce in Slovenia, pointing to dangers of ignoring climate change.

He noted that people could lose everything if they do not drop the old ways and agree to measures for protecting the environment. Global warming could trigger a fatal chain of developments and in case the human race does not take measures immediately, catastrophic consequences can be expected, from extreme weather phenomena, floods, droughts, epidemics to massive extinction of humans, he said.

Prime Minister Borut Pahor meanwhile emphasised the importance of awareness about climate change and the need for quick action. He added that EU leaders are to adopt important decisions on the climate change at the EU summit.

"This will be the first time that Europe will react at such a high political level and so ambitiously," he said, adding that Gore had contributed a great deal to the world's realisation that it needed to take steps together.

## Pahor: Slovenia Following EU, But Also Relying on Own Judgment

**Commenting on nod by EU leaders to the EUR 200bn economic stimulus package, Prime Minister Borut Pahor said that Slovenia needed to operate in the framework of joint guidelines, while at the same time relying on its own judgment.**

"The joint European plan to revive the economy, worth 1.5% of the EU's GDP, is confirmed, and it has been established that the member states are already reacting by adopting national economic measures," Pahor told the press in Brussels.

He added that the Slovenian government was also doing everything in its power in a bid to act quickly and ambitiously. The prime minister backed a proposal for an emergency session of Slovenia's parliament devoted to the crisis in December.

Pahor explained that Slovenia had been warned by the European



## WHATMAKESTHENEWS

Central Bank (ECB) and other institutions that it might be rushing a bit with some of its measures.

"I have taken upon me the responsibility that we will work fast despite warnings that we are going too fast. We have to act in the framework of joint guidelines, but at the same time we need to trust our own judgment on what is right in this moment," he stressed.

## Govt Appoints Strategic Economic Council

**The government appointed on 10 December a strategic economic council tasked with advising the cabinet on economic issues during the global financial crisis, Prime Minister Borut Pahor told the press. Its ranks are filled by some of Slovenia's biggest names in business.**

The council will be headed by Pahor, or by Economy Minister Matej Lahovnik in his absence, and will comprise 16 experts from universities, business and the banking sector.

The council will comprise of management consultant Peter Kraljič and economists Janez Prašnikar, Marko Jaklič, Rastko Ovin, Janez Šušteršič, Aleš Ahčan and Maks Tajnikar.

Its members will be also SKB bank chair Cvetka Selšek, chair of

"I insist that some of the measures can also be temporary. Experience from the last 20 year has taught us that crisis situations always require us to take far-reaching decisions," Pahor said.

However, he also said that some of the measures planned in Slovenia will eventually also be incorporated into a new development deal, expected to be adopted at the end of 2009.

Kolektor, a maker of commutators, Stojan Petrič, pharma company Krka CEO Jože Colarič, director of hi-tech firm Instrumentation Technologies Rok Uršič, and chairman of retailer Mercator Žiga Debeljak.

It will also include chairman of home appliance maker Gorenje Franjo Bobinac, France Arhar, the chairman of Unicredit Banka Slovenija, chair of Trimco, a maker of prefab construction components, Tatjana Fink, and director of chemical group Helios Uroš Slavinec.

These are people who accepted the responsibility of participating in taking important decisions, Pahor said. He explained that they would not be paid for their work in the council.

"Their payment will be the satisfaction that we have made the right decisions at the right time."

## Potočnik Says World Faces Stark Choices



**The global economy will be sustainable or there will be no economy. Europe will be a green continent or there will be no Europe. Earth will be a green-blue planet or there will be no Earth. That's how important environmental issues are," Potočnik said at the conference, which focused on corporate environmental strategies.**

European Science and Research Commissioner Janez Potočnik told the Portorož Business Conference on 21 November that the economic crisis had undermined trust in the global financial system, and opened some fundamental questions about the economic arrangement of the world.

He pointed out that fear prevailed even though cyclical movements are a typical feature of any economy. "Countries have responded quickly, but they also need to find efficient solutions in the real sector to protect it from the crisis," he added.

The European Commission will use all means to save the real sector, including monetary and fiscal policies, measures to promote productivity and measures to help people who were most affected by the crisis, he said.

While admitting that the Lisbon strategy could not solve the acute financial problems, Potočnik highlighted that any solutions needed to comply with its main guidelines. "Our priority must not be only to promote spending, but also to ask ourselves what kind of spending we should promote," he said.

Pointing to the importance of energy efficiency, Potočnik said that, in the short term, people will look for the most efficient use of energy, while in the long term they will have to find technological solutions to produce energy. Commenting on the transition to a low-carbon economy, Potočnik pondered whether those who would be the first to adopt the eco business strategy would be the clear winners or just the most heavily burdened by the transition. Europe could take the lead in the battle against climate change, but in order to do that it needs to take action, and not just propose measures, Potočnik said.





## Pavel Gantar (President of the National Assembly):

“It is normal for people in the Parliament to be in dispute. We will have a problem when there are no more disputes.”

**MR. PRESIDENT, YOU HAVE RECENTLY TAKEN OVER THE PRESIDENCY OF THE NATIONAL ASSEMBLY. HOW WILL YOU BE DIFFERENT FROM YOUR FORERUNNER?**

This is a question for those who monitor and evaluate my work. I personally find it hard to give you an answer. I will certainly try to introduce more breadth and spontaneity into my work and the work of the National Assembly.

**HOW?**

By using different, less formal methods to seek proposals and opinions, and sometimes participating in the meetings of working bodies, especially when they are of interest to me. The President of the National Assembly has an important protocol and procedural role in the Assembly. On certain thematic issues, he does not state his opinion, nor

does he participate in disputes between parties, but ensures civilized dialogue between Members of Parliament.

I intend to maintain this tradition, and I also intend to say a word or two without taking anybody's side, but as a person who has an opinion on certain issues, especially in the field of science, higher education, environment and climate changes.

**DURING AN EXCHANGE IN THE NATIONAL ASSEMBLY, A QUESTION AROSE REGARDING WHAT YOU CONSIDER AS GOOD AND WHAT AS BAD IN THE PREVIOUS PERIOD.**

I look upon the previous period as a member of the opposition. Our suggestions were rejected too many times just because we were in opposition. To improve this situation, I called upon the new coalition as I took up my post, not to regard the opinions of the opposition as a necessary contradiction, but as different ways



and solutions that should be taken into consideration. I seriously intend to think through the opposition's suggestions and points of view.

I will take a position on their content, and not reject them from the outset just because they are proposed by the opposition. This approach has been lacking so far. One needs to be aware that during the previous mandate economic growth was high. This period will be entirely different, since we will have to face the consequences of the economic crisis.

Fortunately, both sides are aware of the different and significantly more constrained situation in society. But we would not want to use the economic crisis to force Members of the Parliament into some kind of an apparent unity. I would again like to emphasize the important difference between the Government and the Parliament. The Government is expected to show a unified front, and Parliament has to express different views on public issues and to discuss them.

## REGARDING WHICH SUBSTANTIVE QUESTIONS DO YOU EXPECT THE MOST COMMON GROUND?

Regarding those with the strongest value component. The current coalition and opposition differ especially on questions about the past, freedom of the media, attitudes towards human rights, and erased citizens, questions about single women's fertilisation and attitudes towards the church - all these fields differ greatly in value.

## YOU KEEP EMPHASIZING DIALOGUE. DO YOU EXPECT THE OPPOSITION WILL ACCEPT YOUR VIEW?

I do not know what the opposition will accept and I do not concern myself with it. It takes two to have a dialogue, of course, but I believe that we have to do everything to establish conditions for a discussion and a dialogue. The public sees everything. Not everyone who criticizes the Government scores points in peoples' eyes. Everybody has to be aware that by representing a certain view he/she presents it to interested citizens.

## YOU PROBABLY AGREE THAT PARLIAMENT HAS A LOW REPUTATION AMONG THE PEOPLE.

I do. When I read articles in the media it seems to me that the late Edvard Kardelj would turn in his grave from joy. We know that he was strongly against political pluralism and political parties. So when reading about parties and Members of the Parliament arguing, it is like reading Kardelj who used to say that parties are not good, because they have strong selfish interests and they use people. Parliament is an institution established to confront different opinions and suggestions regarding certain important public issues. Democracy is all about the confrontation of opinions and suggestions. Therefore, I disagree with the general critique that the National Assembly is just a place where Members of Parliament argue and talk nonsense.



It is true that many stupid things are said, and many go too far in judging others, but it is better to go too far than nowhere.

Do not expect the National Assembly to be a big brotherhood where all Members of Parliament agree with each other.

On the contrary: Parliament has to be an institution where different views and interests are expressed. Do not be unpleasantly surprised if there are polemics and contradictions during this mandate. How well a person can argue his/her opinions is, of course, another matter. I would agree with your critique to that point that different opinions are not always adequately presented.

My role is to stop discussions verging on personal attack. I believe that in the previous mandate, reactions to individual cases of intolerance were not severe enough.

## HOW IS THE NATIONAL ASSEMBLY SUPPOSED TO AVOID THE ROLE OF BEING MERELY A “VOTING MACHINE”?

The National Assembly will always be also a “voting machine”. There something is discussed, argued, amended, but in the end it is voted on.

Someone is always outvoted, and that is why the National Assembly is a “voting machine”.

But if it is only a place without debates and disputes, where Government policies are not discussed, but only voted on, then we really are talking about a mere voting machine.

Already the fact that I am not a member of the governing party is a certain guarantee that I will not blindly act in favour of the governing party or coalition. This already reflects the autonomy of legislative power in relation to the executive branch of power. Parliament has to treat proposals from the Government as an independent body, and not as some kind of extension.

I support the Premier's intention that he and his ministerial group will be more present Parliament.

I have no influence on that, but I will remind them if I notice their absence from Parliament. This relationship is also based on the principle of proportionality: the way they treat us is the way they will be treated.

## IN THIS MANDATE, WE CAN EXPECT STRONG AND FIERCE OPPOSITION IN THE NATIONAL ASSEMBLY. HOW DO YOU FEEL ABOUT THAT?

Good. It is good that we have a strong opposition. I also expect a strong coalition, which will know how to respond to critiques and warnings from the opposition. In short, I hope that they will both create a lively atmosphere in the Assembly.

Development is always evolutionary. Half of the people are the same as in the previous mandate; they have only changed roles, so I do not expect any radical changes.

But it will be interesting to watch the appearances of the current opposition after having four years of experience in Government. I think that this fact will have an important influence on their attitude. Certain parties that have not had any experience in Government now think differently.

We cannot and do not want to make the opposition give up its constitutional and other roles. Anyway, I think that only bipolar observation of the opposition and coalition in the Parliament is

at least partly wrong. There is a whole range of political parties, and that is why views within the opposition or coalition are not always the same. Under the procedural rules, I will protect the opposition as well. I will not use any tricks, such as the guillotine, fixing time limits for a discussion.

It is important that the opposition is disappointed because it does not have a majority and, as a consequence, does not pay attention to its role.

It must not say: “It is no use, everything is a waste of breath.” I would like to avoid this kind of situation.

## WHICH TASKS WILL YOU TAKE UP FIRST?

This month, some new Members of the Parliament will join us; we will constitute permanent parliamentary delegations and friendship groups. There is new legislative work coming up; we are waiting for the first drafts from the new Government; the first ratifications and work in committees will begin.

I intend to meet with the presidents of the committees and bring to their attention that committees should work substantively, since this makes their work so important.

I also intend, if necessary, to start coordinating issues requiring broader consensus, such as martial laws or amendments to electoral legislation.

I am in favour of constitutional changes regarding the election of the Government. In public as well as in the National Assembly, there is a general tendency towards rationalizing Government elections. I alone will exercise the initiative to shorten Government election periods, but before that I will consult with experts in the field of constitutional law.



Text: DANILA GOLOB, Photo: STA

## MERKUR OPENS METAL FACTORY IN SERBIA

Slovenian hardware wholesaler and retailer Merkur has opened a refurbished steel factory in the Serbian town of Gornji Milanovac. The EUR 10m investment will produce some of the steel products that are expected to net Merkur EUR 500m in sales this year. Merkur chairman Bine Kordež pointed out at the event that Mersteel, the wholesale metal division of the group, is the biggest company of its kind in the region. The new plant, called Mersteel Profil, is the latest addition to the metal wholesale division. Kordež told that the investment will help Mersteel raise its sales of metal products to EUR 1.1bn by 2013. The Merkur chairman admitted that the financial crisis has affected his company, which is expecting a drop in demand for construction and industrial material as well as a fall in its retail sales. Merkur will streamline operations as a result, but is not planning to reduce its workforce, he added. It will also exercise additional caution in planning future investments.

## NKBM GROUP POSTS EUR 44M PROFIT IN FIRST NINE MONTHS



The NKBM financial group, centred around Slovenia's second-largest bank, made EUR 44.3m in pre-tax profit in the first nine months of 2008, including EUR 35.4m from the NKBM bank alone, the group said after a meeting of the supervisory board. Profits are down from last year's record-breaking amount, but this can mostly be attributed to the general situation on the financial markets, NKBM said, without quoting any figures. The supervisors established that, despite the financial crisis, the operations of both bank and group were stable, while the group's business increased by 7.8% to EUR 5.49bn in the first nine months.

Deposits to non-bank clients have increased by 6% to EUR 3.1bn and credits have grown by 18% to EUR 3.7bn. The group also decreased its business costs from 2.19 to 1.98% of all its funds, while the group's return on equity stood at 16.46% in the first nine months.

The group continues its strategy of expanding in the markets of SE Europe, especially former Yugoslavia, with the recent founding of NKBM representation in Serbia.

## ISTRABENZ TO OFFLOAD STAKES IN DROGA KOLINSKA, PETROL

After surveying the company's results for the first nine months of 2008, the supervisory board of Istrabenz, a conglomerate with holdings from energy to tourism, gave the management the go-ahead on 19 November to offload stakes in food producer Droga Kolinska or the energy group Petrol.

The supervisory board backed management's efforts to ensure liquidity through a favourable ratio between capital and financial debt, even if that meant selling off assets.

The supervisors confirmed management's proposal to offload Istrabenz's 95% stake in Droga Kolinska or 17.3% of Petrol. However, the decision on which to sell should depend on the offers and the proposed criteria.

Istrabenz is the second biggest shareholder of Petrol and at current stock market prices the 17.3% stake is worth nearly EUR 100m. Droga Kolinska is meanwhile the core company in Istrabenz's food division and is not listed on the stock market.

The group generated EUR 472.9m of sales revenues between January and September, which is a 5% increase year-on-year. Operating revenues were up by 15% to EUR 29.9m.

The net profit of EUR 12.2m was nevertheless lower than planned due to higher interest costs and the unrealised sale of the company's stake in retailer Mercator.

## SLOVENIA BEST EU NEWCOMER IN DRAWING RURAL DEVELOPMENT FUNDS

Slovenia is the most successful EU newcomer in drawing funds for the development of rural areas, acquiring by October 2008 17.6% of the money to which it was entitled for 2007 and 2008, the Agriculture Ministry said on 20 November. By the end of the year, this share is set to increase to 19.8%.

This also places Slovenia in ninth spot among all EU Member States, the Agriculture Ministry and European Commission established at the annual meeting on the implementation of the 2007-2013 rural development programme.

According to the ministry, Slovenia obtained EUR 158m in funding by the end of September.

Representatives of the ministry also presented to the Commission progress made in implementing the programme and plans for future activities.

## INTEREUROPA INCREASES REVENUES, NONETHELESS BEHIND PLANNED POSITION



Logistics group Intereuropa posted around EUR 203m in net sales revenues in the first nine months of 2008, an increase of 18% year-on-year. Net profit stood at EUR 7m.

Despite the increase in revenues, Intereuropa is still 17% behind sales plans for this year. A delay in the construction of a large car terminal in Moscow has been blamed for this.

Intereuropa's sales revenues rose by 9% year-on-year in EU countries and by 42% in other markets.

The company said that entry into new markets, including Montenegro and Russia, and the construction of new logistics centres helped to boost revenues. It also expects further growth in business stemming from investments despite the economic downturn.

The company does not therefore intend to change plans for this year and gave assurances that it was not facing difficulties with financing as a result of the credit crunch.

## GOVERNMENT NAMES CRISIS TASK FORCE

The new Slovenian government formed a special group on 22 November to develop and co-ordinate measures in response to the financial turmoil. It has tasked all government departments and services with putting forward measures they deem necessary to prevent a crisis, Prime Minister Borut Pahor told the press after the maiden session of his cabinet.

The co-ordinating team will be headed by Development Minister Mitja Gaspari, and will also include Economy Minister Matej Lahovnik, Finance Minister Franc Križanič, Labour, Family and Social Affairs Minister Ivan Svetlik, and Minister of Higher Education, Science and Technology Gregor Golobič.

The cabinet was initially briefed on the impact of the global financial crisis on Slovenia, whereupon it ordered all ministries and services to draw up, as soon as possible, measures to address the consequences of the turmoil and prevent its further impact. Pahor announced that the government would be meeting representatives of employers, trade unions, senior citizens, young people and the Agriculture Chamber, to learn about their expectations of the government in a time of economic uncertainty.

The government would then consider the proposals. "We shall see which measures are compatible and which are not," as Pahor put it. The government will engage in a dialogue with these partners for as long as "we do not have a grounded reason to believe that the time of economic uncertainty is over".

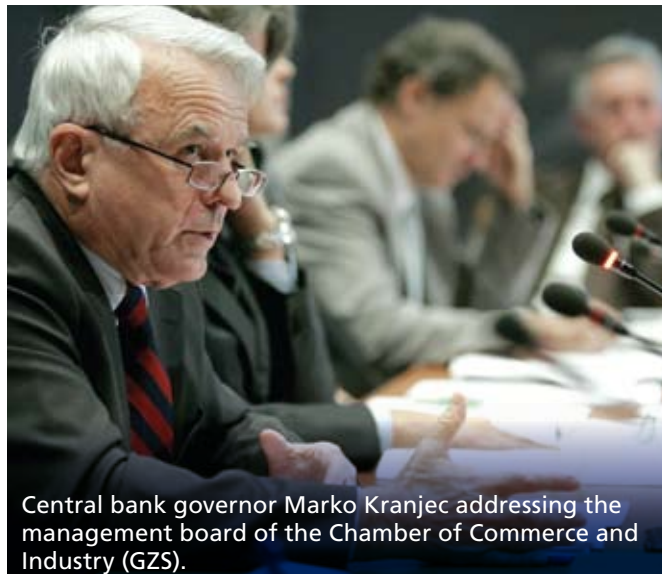
At the same time, there will be intensive discussions with the heads of opposition and coalition parties to agree the form of the bi-partisan partnership which Pahor announced on 21 November, as he presented his cabinet to parliament.

## CENTRAL BANK BOSS CONVINCED BANK LENDING WILL RESUME

Marko Kranjec, the governor of Slovenia's central bank, said on 25 November that he was convinced that banks would resume lending as soon as state guarantees for inter-bank lending are put in place in accordance with the recently adopted law.

No bank is so foolish as to not credit good companies, Kranjec told executives at a meeting at the Chamber of Commerce and Industry. "If you're lamenting that banks are not lending, imagine what it would be like if they had failed," Kranjec said.

Slovenian banks are less "infected" than lenders in other countries, but are having trouble securing liquidity from foreign



Central bank governor Marko Kranjec addressing the management board of the Chamber of Commerce and Industry (GZS).

sources of finance.

Retail and corporate deposits only cover 65% of the loans, while the rest, approximately EUR 16bn, must be obtained on international credit markets. Next year alone, banks will need EUR 3bn to meet margin calls, while the remainder is long-term liabilities, he said.

Yet Kranjec pointed out that the Slovenian economy was struggling not only because a lack of appropriate funding but also with competitiveness. Considering the labour costs in the private and public sectors, Slovenia's competitiveness could suffer, he said.

"Slovenia might not be forecast to slide into recession just yet, but we're going to import [recession] when your orders are reduced," he told the businessmen.

In October, the central bank forecast that Slovenia's economy will expand by 3.5% in 2009, but Kranjec said this figure would have to be revised. According to him, budgetary spending will have to play a bigger role in tackling the crisis, so business should address its grievances to the government rather than the central bank.

Kranjec also warned against excessive demands by trade unions, saying that the economy would not survive if demands are too high. In that case, all demands by the unions would be in vain, he said.

## MINISTER: MOTORWAY STICKER PRICES TO BE FROZEN



Transport Minister Patrick Vlačič.



While the sale of annual motorway stickers has been delayed in Slovenia pending a decision by the new government on a possible price increase, Transport Minister Patrick Vlačič announced on 26 November that the price of motorway toll stickers would not increase.

Delivering the eagerly awaited news, Vlačič also told that it would be vital for the government next year to establish a system that would guarantee sustainability of the motorway construction programme. The current system is not sustainable, he said.

Slovenia introduced annual and half-yearly vignettes for cars and motorcycles on 1 July, but the EU said that cheaper shorter-term stickers should also be introduced, amidst protests by foreign automobile clubs.

Had the price of vignettes remained at EUR 35 per six months and EUR 55 per year for cars, the introduction of cheaper weekly or ten-day stickers would mean that Slovenia could not raise enough money to fund motorway construction and service loans.



Prime Minister Borut Pahor.

## GOVERNMENT TO CONSULT PARLIAMENT ON BANK GUARANTEE REGULATION

The Government decided on 27 November to consult the parliament's Finance and Monetary Policy Committee before adopting a regulation that is required to give banks state guarantees for loans under the recently adopted EUR 12bn scheme.

This is the first time that the Government has consulted parliament before adopting a regulation, but Prime Minister Borut Pahor said these were special circumstances. "The government wants a second opinion and to hear better proposals - if they exist," he said.

The regulation, which is required by the recently adopted changes to the public finances act, will set down the criteria lenders must meet to qualify for guarantees, as well as the fee that the state will charge.

The guarantee will not be for free, and the price will depend on individual institutions' credit rating, explained Finance Minister Franc Križanič. This is in line with European Commission recommendations.

Pre-empting criticism that consulting parliament would further delay the implementation of guarantees, Pahor said the

Government was taking political responsibility for the move. The regulation cannot be the subject of partisan debates, and considering the amount of taxpayer money at stake it makes sense not to rush, he said.



Slovenian Minister of Agriculture Milan Pogačnik.

## EU MINISTERS REJECT FRENCH PROPOSAL FOR FUTURE CAP

The agriculture ministers of the EU failed on 28 November to endorse the resolutions of the French presidency on the Common Agricultural Policy (CAP) after 2013, while the EU Member States were also divided on the distribution of food to the poor, Slovenia's Milan Pogačnik said while attending the ministerial in Brussels.

The resolutions on the CAP after 2013 were not endorsed as some countries - primarily the UK, Latvia, Sweden, Denmark and the Netherlands - "did not want to adopt premature decisions...or go into discussion on the future EU budget," said Pogačnik.

He added that Slovenia was however satisfied. "The presidency has taken into account Slovenia's positions: we proposed that the CAP should focus primarily on multi-purpose agriculture," said Pogačnik.

France, the biggest recipient of EU agricultural funds, believes that the EU needs a common and ambitious agricultural policy after 2013. The presidency took into account many requests from EU members, but some countries pointed out that more attention should be paid to increasing the competitiveness of agriculture.

The ministers were also divided over the programme of food distribution to the poorest EU citizens. The European Commission proposed in September that more funds be provided for the programme, but EU members "did not agree with the proposed national co-funding," said the minister.

According to him, the key question now is the legal basis for the adoption of the programme, the budget for which the Commission wishes to increase by two thirds, to about EUR 500m a year, from 2009 onwards.

## THE BANKER NAMES NKBM SLOVENIA'S BANK OF THE YEAR

The magazine The Banker has named NKBM Slovenia's bank of the year. Slovenia's second largest bank received the acknowledgment for its excellent performance in the previous year and in the five-year strategic plan, NKBM said on 2 December.

In 2007, the bank's profit grew by 15.15%, while the ratio between costs and revenues fell from 54.82% to 51.34%, NKBM said.

Furthermore, the bank successfully carried out an initial public offering a year ago, when the share was oversubscribed 5.4 times. The IPO was carried out at a price of EUR 27 per share. The price shot up to over EUR 40 in the initial weeks of trading, but has since slumped to just over EUR 11.

The magazine's selection is made based on a comprehensive questionnaire, operating results and growth, as well as documents on technologies, mergers and strategic development.

## NUCLEAR POWER PLANT LOAN PAID OFF

GEN energija, the owner of Slovenia's half of the Krško Nuclear Power Plant (NEK), has paid off the last instalment of the loan taken out by Slovenia in 1983 to finance its share in the construction of what remains the country's sole N-plant.

The final EUR 2.48m instalment, paid by GEN Energija at the end of November, is the closing chapter in what began in 1983 as a US\$ 324.6m loan to the plant's Slovenian investors, led by power producer Savske elektrarne.

The loan for the plant, now jointly owned by Slovenia and Croatia, was taken out with several foreign banks and in different currencies.

The credit commitments of Savske elektrarne were transferred to NEK in the late 1980s, and in 2003 the Slovenian and Croatian government agreed that these commitments would be taken over by Eles Gen as the legal successor of Slovenian investors. In 2006, Eles Gen was renamed GEN energija.

## SLOVENIA RESERVED ABOUT LOWERING VAT RATE, MULLING OTHER TAX CUTS

Slovenia is not a proponent of lowering the value added tax rate, but its financial crisis measures package - expected to be worth around EUR 420m - would probably also include temporary cuts in some taxes, Finance Minister Franc Križanič said on 2 December after a meeting of EU finance ministers in Brussels.

Commenting on the ministers' debate on the European Commission plan to revive the economy of the EU, Križanič said the ministers shared the opinion that it was necessary to "act, act fast, and firmly enough."

"The Member States are very much in favour of a strong fiscal stimulus package, which would stop the downward spiral of a contracting economy and pessimism," the minister said. He added each country would choose its own set of measures, depending on the situation in which it finds itself. Slovenia expects to stay within the limits of the Maastricht convergence criteria, with Križanič highlighting investment in research and development, the boosting of competitiveness, public-private partnerships in large scale infrastructure investments, and possible tax reductions as the main potential features of Slovenia's plan.

According to Križanič, several proposals regarding tax cuts are currently on the table and the government is expected to

have the final plan ready before the second half of December. He believes it is still difficult to say when the measures will be implemented, although the "motivation will increase with the severity of the crisis."

Križanič also met European Economic and Financial Affairs Commissioner Joaquin Almunia on 1 December, sharing with him his key views on the economy and Slovenia's situation.

## DROGA KOLINSKA TO FOCUS ON KEY BRANDS



Finance Minister Franc Križanič.

Food company Droga Kolinska generated EUR 280m in revenues in the first nine months of 2008, which is a 6% increase year-on-year. Profit before amortisation dropped by 4% to EUR 34m, the company said at a press conference on 1 December.

According to board member Milena Štular, the results are a success, considering the increases in food prices at the beginning of year and the expiration of a licence with Unilever. Business is still running according to plan, Štular said, adding that the same was also expected for 2009.

In the past year, the company undertook restructuring and went global with its activities, following the model of international food chains.

Štular said that this had helped the company to adjust to the challenging situation in the food industry, which is dominated by strong brands and constantly changing consumer habits.

Sales of all major product lines on key markets increased. Sales of beverages increased by 4%, coffee by 11%, snacks by 27% and pâtés by a record 50%.

Contributing most to the profit was the coffee product line (33%), followed by sweets with 16%, Argeta pâtés with 14%, Cockta soft drinks with 7%, snacks with 5% and Donat mineral water with 4%.

The most profitable markets in the first nine months were Serbia and Montenegro (43%), Slovenia (22%) and Bosnia-Herzegovina (13%). The remaining 22% of the profit was achieved in Croatia, Russia and Eastern Europe, Macedonia, EU Member States and other foreign markets.



prof. dr. Danica Purg, President, IEDC - Bled School of Management



Professor Danica Purg, the extraordinary woman always fills up the room with her great energy and strong character. She loves talking to people, and exchanging with them great experiences from her many travels and great visits from all over the world. Among other many things that she accomplished, she is the founder and director of the International IEDC - Bled School of Management, the founder of the Central and East European Management Development Association (CEEMAN) in which 172 managerial schools from 42 countries are registered and also the founder of the UN Global Compact Slovenia, which all have seat in the beautiful surroundings of the campus, located above the lake Bled in north Slovenia, called the Gorenjska region. The view of the lake and the small church on the island in the middle of it are just some of the reasons why IEDC is said to be the school with the view.

**"MY PARENTS TAUGHT ME TO WORK HARD, LEARN NEW THINGS AND TO BE CURIOUS."**

Danica Purg comes from a small village located in the eastern part of Slovenia in the Štajerska region. Both of her parents were very active in culture as well as in politics. Her father was one of the first members of the Worker's Council, while her mother was

always interested in medicine. The family of three daughters was always one step ahead from the neighbors. They were the first to have radio, motorbike, running water, and electricity and they were those who brought life to the old fashioned village.

After graduating from Ljubljana she enrolled in the University of Belgrade for her masters' degree and doctorate. Former capital of Yugoslavia offered many connections with foreigners, had a very rich cultural life and at times offered many connections with the world. At that time Danica became fascinated with the Yugoslav self - management system, which led her to develop a deeper interest in that subject. Having great interest for different cultures, she traveled extensively and studied languages. She is fluent in English, French, German, Dutch, and Serbo-Croatian, and has a good working knowledge of Russian and Italian.

**"ARNOLD WAS A NEW SOURCE OF INSPIRATION IN MY LIFE."**

While attending a conference in Dubrovnik she met her Dutch husband, Arnold, from whom she says that she learns tolerance and how to develop a positive attitude. He also showed her the beauty of fine arts. In the years she became more and more interested in the broad field of management, a subject she knew relatively little about and later was given a chance to face a new



challenge. After a deep talk with both, her husband and Dr. Aleksandra Kornhauser, she decided to do something good for Slovenia and in 1986 establish the first school of management in Yugoslavia. IEDC was firstly located at Tito's villa at Brdo near Kranj and in 2000 moved to Bled.

Danica's educational and subsequent Career experience is noteworthy. She received her master's degree and PhD, both from the University of Belgrade. She attended lectures at Harvard, IMD in Geneva, INSEAD in Fontainebleau, London University, and the Sorbonne. She has received numerous awards and recognitions, including Distinguished Lecturer of the Year at Redlands University of California in 1991, a Fellow of the International Academy of Management since 1995, and Doctor Honoris Causa from Moscow State University in 1999. In addition, she has published two books on management and numerous articles on self-management, management education, team building, and leadership. Besides being the director and the dean of the IEDC, her career has included a number of key professorships and guest lecturer positions at various well known institutions throughout Europe.

## MANAGERS ARE FACING GREAT CHALLENGES IN THE MULTICULTURAL ENVIRONMENT

According to Ms Purg, the biggest challenges managers face today, is how to function in different cultural environments. Big issue is also how to create employment and assist people in development economies to come up with initiatives that will make them independent. A further important challenge is to create sustainable growth.

One of the main goals with which Ms Purg is also dealing with, is how to speed up leadership in development in CEE countries and other developing economies. For this reason she started

CEEMAN organization, whose main purpose is to help business leaders from these countries to be educated by some of the world's best professors. Every year recognized schools join the organization from different countries, so now there are also one third of schools from countries in West Europe, such as well known IMD Lausanne, Lancaster and Bocconi from Italy. With the same mission in mind, she recently accepted an invitation to be an advisory board member of the Moscow School of Management.

Another issue that she considers very important is leadership, leadership for a better world. Her main idea that she points out all of the time is to make people in the region more ambitious and to help them to cooperate with the West. From such thinking comes her famous slogan: "Take the best from the West and leave the rest." The ambition to bolster business and economics in Eastern Europe grew more and more every day. The very respected management training institutes with the top-flight visiting faculty, has sprung up in the East since the fall of the Iron Curtain and Ms Purg became a Dean and the Director of well established international Executive Development Center in Slovenia.

## IEDC IS LIKE A BIG SLOVENIAN EMBASSY

The professors who lecture here also teach thousands of other people all over the world. Having visited Slovenia, they take their good impressions wherever they go and often say: "You have everything here and here is all you need, but you must tell it to the world." And this is something that makes you feel good and satisfied with what you do. IEDC is Ms Purg's personal goal. She wants to lead IEDC and to become a member of the first league of executive development institutions in Europe and in the world, always innovative and always looking at what is needed in business and society. With the team who works at Bled, she is surely going to achieve it.



In October, 2008 IEDC - Bled School of Management opened its new Centre for innovative learning, which was opened by President of the Republic of Slovenia, Dr Danilo Türk, who spoke about importance of innovations.



## Oktober - a competitive trademark in the international world of fashion design

»In fashion you have to have the feeling for beautiful, modern and popular. Designer has to understand that fashion is not a hermetical thing that you produce for yourself and for your friends only. Fashion has to be reachable and has to be confirmed by the market«, says Uroš Belantič, co-founder and fashion designer of Studio Oktober.

The company Oktober, Fashion Production Company d.o.o. was founded in December 2000 by economist Valter Kobal and fashion designer Uroš Belantič. Firstly they worked in a smaller designer studio in the center of Ljubljana and later moved to the empty rooms of a once great tobacco company, named Tobačna, which is in the Slovene capital as well. Besides opening the atelier, also opened a joint showroom Oktober/Gorenje, where products of the two trademarks, fashion events and art intertwine.

»The idea to establish Oktober came from the wish to create an international brand where you can put the creative ideas into reality,« describes Valter Kobal just one of the reasons from which the Oktober story started.

At the beginning of their path most of the energy was directed towards building agency in the fields of styling production for advertising needs, but soon in 2002 they started to develop their own trademark Oktober as a basic activity. Just one year later the first Oktober Women's Spring-Summer 2003 Collection was being sold in In Sportina Group Shop in Slovenija.

By the end of 2004 they diverted their selling activities mostly to foreign markets and already one year later Spring-Summer 2005 Collection was introduced in Paris for the first time. The success of this first international experience was great. Oktober sold

their full collection to shops in Japan and Italy, and they signed a contract with showroom Daniele Ghiselli from Milano which opened door to even broader international market.

Being consistent in quality, regular appearance in the fashion market and constant participation at the two most important fashion weeks in Paris and New York, is something that played a great role in giving the trademark international recognition. Successes followed one by one. In 2006 Oktober opened together with Aims-G from Bulgaria first autonomous Oktober Shop in Sofia and the following year Oktober sold the Spring-Summer 2007 Collection in 45 boutiques and department stores all over the world including Canada, USA, Russia, South Korea, Japan, Australia, Saudi Arabia, and greatest European countries. They succeeded in entering the most significant department stores in Paris (Galerie Lafayette and Le Bon Marche), London (Selfridges), Seoul (Lotte) and in Canada (Holt). In 2008 they also launched men's collection which they sold all the way to New York, Hong Kong, Paris, Saint Petersburg, and Tokyo and gained again a big success.

"We are directed towards perfect clothes tailoring and designing, where we can also reach a high value added," is confident Kobal.

Valter and Uroš are both very much aware of the importance of selling the collection in prestigious shops, where not only selling results but also brand building is being obtained. The Oktober's trademark products' guidance represents topmost designing, topmost Italian material usage, topmost production and marketing. Originality in designing, perfection in craftsmanship, fashion and modern pop culture bonding are the impulses that create their designing. To carry out such top quality products and to keep the high level standard they have to collaborate with not only Slovene, but also foreign partners. Therefore they work with the best Italian goods suppliers, creative co-workers and distributors, who all together write the great Oktober story. Oktober has a goal to become a competitive trademark in the international world of fashion design. Their strategic decision besides all the above is to keep developing fashion design, craftsmanship knowledge, marketing and branding to woman's and man's collections of clothes both signed by Uroš Belantič, Oktober's creative director. Collection clothing, made to measure clothing, footwear, fashion accessories, photography, music, video, events, and architecture represent the intertwined work that reflects their strong vision in fashion and design.

"We forward our clients the impulses that mark our trademark and make it recognizable, different and, nevertheless, competitive in relation to other companies", explains Kobal.

In all seven years that company is functioning, a number of avowed collaborations have been performed. The ultimate collaboration is with the Slovene company Gorenje, which is famous for high quality production of domestic appliances and great modern design. For the Gorenje Pininfarina line, Oktober designed some particular lifestyle products; from a crinkled apron, personalized cook book, shopping bag, body temperature sensitive t-shirts to women's bags, that are special for they are equipped with an inside light, which is the same as the one installed in Gorenje's refrigerators. In Oktober their selling doesn't depend only on store selling, but they also produce made to measure and bespoke clothing, spectacular clothing and costumes for movies, television and theatre. Some years ago they became widely admired by many, when they created





# OUREXCELLENCE

Swarovski costumes for the Slovene singing drag group Sestre for the Eurovision contest. Studio Oktober also co-work as stylists and costume designers in Slovenia and abroad for advertisement TV production (Suzuki, Danone, Deutsche Bank, ). Not to forget to mention Oktober styled all the costumes for the music clip of the worldwide celebrities, singing group Il Divo. They also co-work as producers and creative leaders in production of advertisements and catalogues for fashion groups (Mura, Labod...) and they set stylistic trends for some music groups (Siddharta, Magnifico, Murat&Jose, Sestre, etc.)

The vision of Oktober is to create a trademark which will not be stuck to the small geographical market, but will become an international brand.

Some of international celebrities like Carmen Electra and French actress Cecile Cassel already likes Oktober's clothes and wear them.

Among all the Oktober's fashion shows and presentations all over Europe and abroad, they collaborate with a trademark Plein Sud from Paris, where Uroš Belantič works as a creative advisor. His work is half in Paris, where he draws all the models and patterns and then in studio in Ljubljana they relies drawings into prototypes.

They don't hide that having a tag »made in Slovenia« doesn't really help a lot from the selling aspect, but at the same time in Oktober agree not to hide their origins, but to make the best out of being from a small country. »In this we even see some

advantage, as we come from relatively unknown country, which can bring into fashion design relatively new patterns. Fashion is always in search for new ideas, « is convinced Kobal.

As Belantič says, »our view of fashion design is broader. Fashion is not just small clothes that you show in one fashion show. Fashion is a life style. It is like language and word of patterns, that you either know or not know how to read. The beauty of fashion is that, this words are always changing, always can be said differently«.





Photo: Atelje Pavšič Zavadlav, Solkan

## PIXXELPOINT - 9TH INTERNATIONAL NEW MEDIA ART FESTIVAL

Pixxelpoint is one of the most successful and renowned festivals of new media art in Slovenia and also abroad. Its purpose is firstly, to bring the information technology and new media art closer to the general public, and secondly, to raise awareness about a different potential to use computer among the young. All Pixxelpoint festivals had a big media response and over 3000 visitors every year, which is more than enough of a challenge for the organizers to further expand it and trespass the boundaries of the gallery space which has become too small for all the projects which are to be carried out. Therefore this year's already ninth exhibition of new media art projects was organized in collaboration with some other cities in the region. The central event of the festival remained City Gallery Nova Gorica but different events went on in many other locations not only in Slovenia but also in the neighboring Italian city Gorica.

The title of Pixxelpoint 2008 was *For God's Sake!* The main idea this year was to address saints and heretics alike, looking for projects which explore the relationship between media and spirituality at a key point in human history, a time of civilization clashes and neocon upsurges, apocalyptic nightmares and hopes

for a new enlightenment. Curated by an Italian art critic Domenico Quaranta, this year's festival was especially complex. Just for the technical installation more than 100 hours of setup was needed. »All hours of hard work were forgotten when all the technical installations functioned properly. Seeing all work, was a real joy«, was happy Blaž Erzetič, the »father« of the Pixxelpoint, who also expressed happiness over great collaboration with Quaranta.

The festival lasted one week and it included workshops run by guest-lecturers, many concerts by well-known music performers and also a symposium on the given topic that attracted many people.



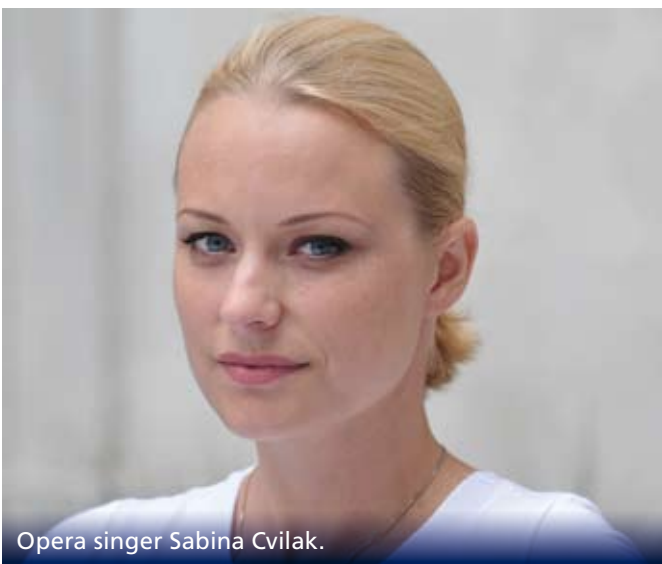


## EIGHTY YEARS OF MILE KORUN AND ORESTEIA

Mile Korun, one of the most acclaimed Slovenian theatre directors, celebrated his 80th birthday this year.

The career of this artist, who has been a lively presence on theatre stages for over a half a century (what is fascinating is the fact that his directing achievements in his late years are no less exciting than those of thirty years ago), has enriched the stages of virtually all Slovenian theatres with his exceptional pieces. While his productions of Ivan Cankar's plays are a true institution, Korun finds classical pieces of Slovenian and world drama, such as Shakespeare and classical authors, closest to him. Among the most outstanding events of his jubilee, we should emphasise the November issue of a monograph about the directing of the Oresteia, perhaps his best-known individual directing achievement, which was staged 40 years ago in Ljubljana Drama theatre and in which one could trace a direct echo of the turbulent 1968 and the motto of the French students: Be realistic, demand the impossible! The monograph is based on the fact that Korun thought of theatre in its widest dimensions, and that he kept logs on every staging of Oresteia. The editor of the book, Mojca Kreft, has compiled the logs together with essays, critical pieces and interviews about the legendary play. The book also consists of the musical score for Oresteia, composed by Darijan Božič.

## SLOVENIAN SOPRANO IN WASHINGTON



Opera singer Sabina Cvilak.

The up-and-coming Slovenian opera singer Sabina Cvilak returned again in November to Washington's Kennedy Center and together with Andrea Bocelli performed in Rossini's opera Petite Messe Solonelle, conducted by Placido Domingo, who is also serving as the General Director of the Washington National Opera. A day before Cvilak performed as Micaela in Bizet's opera Carmen, and along with Bocelli and Domingo, as one of the four soloists, received numerous praises from the audience and critics.

Cvilak, who was born in Maribor, is at this moment one of the rising stars on the Slovenian opera scene. She studied solo singing with professors Annemarie Zeller and Kurt Widmer, and after receiving numerous awards and the Herbert von Karajan Fellowship in the season 2004/05, she became a member of the Vienna State Opera.

## AUTHOR JANKO MESSNER AWARDED IN AUSTRIAN CARINTHIA

The Austrian federal state of Carinthia each year gives awards and prizes for achievements in culture.

In addition to the main award, which was conferred this year on composer Dieter Kaufmann, the Slovenian minority on the Austrian side of the Karavanke could be especially happy with an honorary award for literature given to Slovenian Janko Messner, who has been present for years on the Carinthian cultural and political scene as an author, as well as a zealous advocate of the rights of the Slovenian national minority.

The winners are selected by the Carinthian state government on the proposal of the members of the Carinthian council for culture.



## 19TH LJUBLJANA INTERNATIONAL FILM FESTIVAL LOWERS CURTAIN

The programme of this year's festival, spanning over twelve days, featured 110 films, including 17 short films. The films were presented at 272 screenings, with 248 screenings taking place in Ljubljana and 24 in Maribor and 28 screenings being sold out. The films were selected for the second year in a row by film critic Simon Popek, who has received numerous praises for his work.

The main awards, called the Kingfisher Awards, went to Hunger by British director Steve McQuinn, while the audience picked the war drama Katyn by Polish director Andrzej Wajda. The award





of the International federation of Film Critics was conferred on American Lance Hamer for his Ballast. The best short film award went to Mexican film Tierra y pan (Land and Bread) by Carlos Armella, while Vučko (Wolfie) by Slovenian director Matevž Luzar deserved the jury's special mention.

## THE FILMS ESTRELLITA AND ROOSTER'S BREAKFAST IN NORTH AMERICA

As part of festivals presenting the achievements of the European film industry to North America, Slovenia participated with two films - Rooster's Breakfast by Marko Naberšnik and Estrellita by Metod Pevec.

Rooster's Breakfast, which is also the Slovenian nominee for this year's Academy Award for best Foreign Language Film, was screened in November as part of the 21st presentation of European Film in Washington in competition with over 30 films, including ten national nominees for Academy Award for best Foreign Language Film.

Estrellita was meanwhile screened as part of the 22nd European Film Festival in Ottawa, and in mid-December also in Vancouver, in competition with 24 other films from 24 European countries.



## SLOVENIAN BOOK FAIR

The 24th annual Slovenian Book Fair took place in Ljubljana between 25 and 30 November at the Cankarjev dom arts centre. The fair was opened by the former Speaker of Parliament, France Bučar. In his opening address, Bučar touched on the ongoing financial crisis, saying that during these times books should not be dictated by the market, because they contain messages without which Slovenians would have a tough time surviving as a nation.

More than 100 publishers presented their books, and the fair was visited by about 50,000 people, which is a great number, despite the fact that there was no admission fee, and is also the capacity of the premises. Among the numerous accompanying programmes, also worth mentioning is a lecture by the tenured editor of the US publisher Random House, Jason Epstein, one of the leading advocates of new technologies in publishing who, however, believes that classical books will not be pushed aside. The debate cafe was also well visited, and the first lady of Slovenian literature, Svetlana Makarovič, this year again attracted a big audience. In any case, the fair confirmed this year's slogan: I have no chance without a book!





## IGOR ZABEL AWARD GOES TO WHW COLLECTIVE

The memory of Igor Zabel, an exceptional person, and engaged and prolific fine arts expert and curator, who unexpectedly died three years ago at the peak of his best creative years, is increasingly more alive. It is personified by the new Igor Zabel Award, which represents an acknowledgment of exceptional cultural achievements linked with central and southeast Europe, and which was established by the Erste Foundation and the Igor Zabel Association. The first Igor Zabel Award was conferred on the curator's collective What, How & for Whom (WHW) from Zagreb, Croatia. Three EUR 12,000 fellowships have also been awarded. The fellowships went to linguist Fouad Asfour, who lives and works in Vienna, author Erden Kosov from Istanbul, and Prelom Kolektiv from Belgrade - were selected by members of the awarded curator's collective WHW. The second collection of Zabel's works, entitled Eseji II (Essays II), has also been published.

## IMPRESSIONIST FROM PETROL'S ART COLLECTION IN THE NATIONAL MUSEUM

Just at the time when a great exhibition, Slovenian Impressionists 1890-1920, which presents perhaps the most successful period in fine arts in Slovenia ever, was at the National Gallery of Slovenia, a kind of supplementary exhibition was set up in the garden of the National Museum, presenting 18 lesser-known paintings by the most prominent painters of this period: Rihard Jakopič, Ivan Grohar, Matej Sternen and Matija Jama. These are works which, according to curator Milan Bašin, represent a link with other, well-known masterpieces by these painters, with the exception of two paintings which have not even been documented or mentioned in any publication. The director of the National Museum, Peter Kos, welcomed the decision by the energy company Petrol, one of the biggest companies in Slovenia, to move the paintings

from its collection, which has been systematically created for almost 60 years, because this act evokes the social function of paintings, which is also very important. Meanwhile, Petrol CEO Marko Kryžanovski said that this was only a small part of a very extensive collection, and promised that a similar exhibition could take place in the future.



## SLOVENIAN MUSIC IN KONZERTHAUS BERLIN

At the beginning of December, the Berlin contemporary music ensemble Unitedberlin played as part of their annual schedule music composed by Slovenians. The concert was held in the Small Hall of the Konzerthaus, where the above-mentioned ensemble usually performs. They interpreted pieces by internationally acclaimed Slovenian composers Vinko Globokar and Uroš Rojko, and also pieces by a younger generation of Slovenian composers who studied in Slovenia and took further courses in different European countries: Urška Pompe, Nina Šenk, Larisa Vrhunc and Vito Žuraj.





Culture Minister Majda Širca.

## THIS MERRY DAY OF CULTURE

What is now a traditional Slovenian cultural project, Ta veseli dan kulture (This Merry Day of Culture) marks the birthday greatest Slovenian poet France Prešeren, and was initiated by the Ministry of Culture in 2000. Slovenian cultural institutions, as well as associations and individuals working in the area of culture, open their doors or give their best efforts on this day, and the public gets this present free of charge. The results are encouraging: a great number of people visit numerous Slovenian museums, galleries and other institutions on this day, which proves that the future of Slovenian culture, at least as far as the public is concerned, is safe.

The Ministry of Culture also opened its doors to visitors, and the new Culture Minister, Majda Širca, who was among the initiators of the project, invited to the event everyone whom she wanted to engage in dialogue about how to become as successful as possible in culture. "The ministry is sometimes too closed to the public and I will have to remedy that", she said. Other projects have also been successful: in the cultural centre Metelkova - President Danilo Türk opened in the new premises a permanent exhibition of handicraft and industrial and product design from the 14th century onwards, from collections kept by the National Museum of Slovenia; the National Gallery of Slovenia was packed with visitors, especially during the exhibition Slovenian Impressionists 1890-1920; the exhibition Alternative Scene of the Eighties, displayed in the International Centre of Graphic Arts attracted many visitors. The theatres were also full, and similar interest was also reported from other Slovenian cities. Also attracting a great number of people again was Prešeren's birth house in the village

of Vrba, which has been the focal point of cultural pilgrimages in Slovenia, and whose only competition is Primož Trubar's house in the village of Rašica.

## BOOK ON THE SLOVENIAN PARTISAN MOVEMENT PRESENTED IN BRUSSELS

Coming on an initiative from members of the European Parliament, Mojca Drčar and Jelko Kacin, a book on the Slovenian partisan resistance movement entitled Resistance, Suffering, Hope: The Partisan Movement 1941-45, was presented in the European Parliament at the beginning of December. The book, which displays various aspects, and the vitality and persistence of the resistance against the Axis forces on Slovenian territory during the Second World War, was presented by one of the editors, Professor Božo Repe of Ljubljana Faculty of Arts.

Repe said that the presentation had two goals: the first, historical goal, is the desire to present the period and events which are known too little also within the framework of the events of the Second World War, and the second goal was to answer certain strange signs in Slovenia, which in recent years might have even created the impression that Slovenia was not among the winners of the Second World War. According to Repe, reactions to the book, which has already found its way into practically every library in the world, have been positive. Asked at the presentation when Slovenians will also face with some of the dark sides of the liberation movement, another editor, Professor Pirjevec from Trieste, said that the time had already come, and that Slovenians did not avoid such issues.





## Writer, poet and dramatist Feri Lainšček Writing is a way of life

The written words of Feri Lainšček, a writer, poet and dramatist, a productive creator who has written more than hundred books, are immense. Probably the majority of Slovenian films are adaptations of his books; his read (he occupies seventh place in loan by libraries) and written words have received the Award of Prešeren Fund, the Večernica (Evening-Star) Award, the Kajuh Award, and the latest Kresnik Award for the novel Muriša. With his collection of poems *Ne bodi kot drugi* ('Do Not Be Like the Others') which was written over ten years, and which is, unusually for poems, being reprinted for the fourth time, he does not declare himself as a poet, although he believes in poetic truth, in a higher purpose and is charging himself with beautiful. The writer in his soul - a follower of Jung in his heart - remains loyal to Prekmurje, where he was born, to the magic and inspiration of River Mura, and himself!

THE GREAT ACKNOWLEDGMENT OF  
YOUR WORK, CONSIDERING THE LATEST  
NEWS THAT YOUR BOOK NEDOTAKLJIVI

(‘UNTOUCHABLES’) WAS SELECTED  
AMONG 10 THE BEST IN EUROPE (EUROPE  
BOOK PRIZE) HAS PUT YOU ON A SPECIAL  
PLACE AMONG SLOVENIAN WRITERS.

Creating is not a competition for me, but much more - namely, a way of life. Writing is deeply connected with everything that I otherwise do in my life, since when writing, what it truly matters to me is the search for the meaning of life and catching the sensations of the beautiful. I, of course, am lucky that a large part of what I have discovered and found in this way, I share with the others. I do believe in a magic between the reader and the author, who are the only ones that can change books from dead exhibits into living spiritual creatures. Of course, anything else, when you perceive the centre in such a manner, is a necessary happening on the outer circular lines, and concerns me more indirectly. The same goes for official recognitions and awards that, of course, give me pleasure, but I do not allow them to mislead me, to lull me to sleep, or God forbid, arouse inside me some feelings of being overwhelmed.

## DO YOU PERCEIVE YOURSELF AS A EUROPEAN WRITER, AND CAN ART AND ITS EXPRESSION BE LIMITED - IF WE DO NOT CONSIDER THE LANGUAGE BARRIER?

A creator of my kind does not ask himself about such feelings, and also not about his belonging. I am interested in the writer's language that, despite language barriers and other obstacles to communication, can be universal, since it does affect the human essence, and for certain anyone who is interested in so-called poetic truth about this world. It is also true that what we usually call a genius loci is very recognizable in my work. I breathe and I feel as the "man from the plain", therefore my wider fascination should probably be sought in Pannonia. I also believe that due to these specific sentiments, readers in this area can be more touched by my writing.

## IT WOULD BE INTERESTING TO ASK OURSELVES HOW SUCCESSFUL YOUR CREATIVE PATH WOULD BE IF YOU HAD NOT BEEN BORN IN SLOVENIA, AND DID NOT WRITE IN SLOVENE, WHICH HAS ACCOMPANIED YOU SINCE BIRTH.

You have asked me a question I never asked myself, and actually I do not know how to answer it. For certain, in such a hypothetical position, it would not be different, except that I would write in a different language, but many other starting points and circumstances would differ which, in my opinion, essentially influence the writer's creativity. In short, the appearance of a god, or let's say a successful writer, I find too unique, too non-recurring and also complex, and therefore I do not dare think about it in this way.

## PREKMURJE, THE PLACE OF YOUR BIRTH, OF COURSE, LEFT ITS MARKS ALREADY IN YOUR CHILDHOOD: WITH STORIES, THE WORLD OF THE IMAGINATION, WITH A LIFE THAT - SPEAKING MATERIALISTICALLY - WAS NOT VERY EASY. WERE STORIES AWAKENING INSIDE YOU BACK THEN?

Early childhood definitely with what and how we will colour our view of the world later on. I think my attitude to life was fatefully marked precisely by the early question of what lies behind the surrounding hills. If we simplify this a little bit, we of course establish, that this was actually curiosity. Well, it is precisely curiosity that is a basic starting point for any kind of unique art. Even today, I often say that I will certainly be able to create as long as I am as curious as I am, in fact, still now. And as long as I wonder about this world.

## MANY WRITERS AND POETS CLAIM THAT THEY WERE WRITING AND PUBLISHING IN THEIR EARLY YEARS, BUT YOUR CAREER TOOK A TURN PRECISELY WHEN YOU WERE

## STUDYING JOURNALISM.

Even I was writing when young, but this, of course, was an expression of primary feeling and a pretty direct description of diverse experiences - writing which is at that period of life is rather common, and later on usually a. When I was studying at the Faculty of Sociology, Political Science and Journalism, I was faced with the rather traumatic personal experience, since I was deeper and deeper in a misunderstanding regarding the courses, which were still distinctly ideologically coloured back then. That was also the period of punk, so-called new social movements, the time of the beginning of the Slovenian spring, and independence aspirations. In short, a time of later radical social change was already being forecast, and all this sucked me in, put me on the other side, where an independent writer's positions were very welcome.

## WERE YOU NOT WORRIED ABOUT WHAT YOU WOULD DO WHEN YOU DROPPED OUT? WHAT WERE THE FEELINGS LIKE WHEN YOU PUBLISHED YOUR FIRST NOVEL PERONARJI ('PLATFORM VISITORS') TO WHICH A COINCIDENCE PRESUMABLY LEAD YOU - IF SUCH A THING DOES REALLY EXIST?

The first novel, Platform Visitors, in which I wrote about Ljubljana's social underside, was a great success. Its success was an additional reason for me to take an independent path, and at that time also the very risky path, of an independent creator, rather easily. Although, the wish to take a risk is by itself a part of my liberal nature. I never had entirely, literally, thought about what might happen, if I did not succeed at everything. Even today, I live without fear of change, and I am not afraid of insecurity.

## THE INHERITANCE OF YOUR ROOTS IS RICH AND FERTILE; IT HAS LED YOU TO CREATE A RICH LITERARY COLLECTION - MORE THAN ONE HUNDRED BOOKS. DO YOU HAVE TO BE DISCIPLINED TO CREATE SO MUCH, TO WRITE DOWN YOUR IDEAS, SO THAT CURIOSITY LEADS YOU INTO WORLDS OF YOUR AND OUR PAST. HOW DOES THE CREATIVE PROCESS TAKE PLACE?

I already said that writing is actually not my profession, and not some kind of free-time activity, but I see it as a way of life. In these years, I have ensured myself just about ideal conditions for creating, I can afford quite a few assistants, who help me in one way or another, and most of all, daily I have 24 hours available to create, and I can make a full use of them. That, of course, does not mean that I sit at the computer all the time and write. At most, the opposite applies; my work is created in diverse environments and conditions, often times they are born and mature when it really looks like I am on vacation. As a rule,

I write just when the inner and outer physiognomy of the work being created is very evident and clear to me.

**YOUR NOVELS AND SHORT STORIES ARE WELL READ, AND THE FILMS ON WHICH YOU COLLABORATE ARE WELL ATTENDED. IS THAT BECAUSE YOUR SINCERITY CONVINCES THE READERS AND VIEWERS?**

Certainly, yes, I do believe in a so-called poetic truth about this world, and I do not wish to tell readers about something that did not really touch me, filled me with beautiful feelings, or shook me, perhaps. I know that readers feel and respect such honesty. Now, this unique magic between me and the readers can not be corrupted anymore, unless I corrupted it myself, if I started to pretend ignorance, to lie or to bluff.

**YOU ARE A POET, WRITER, DRAMATIST AND SCREEN WRITER; ALL THE THINGS LISTED ARE PROBABLY A REFLECTION OF ONE EXPRESSION - SIGNIFICANTLY YOURS. HOW DOES THE CREATIVITY COMPLEMENT AND TRANSFUSE ITSELF.**

A part of the answer is probably hidden in all the things I listed above. In my case, the selection of the genre, type or form is mainly connected with the content, and is dictated by itself. Sometimes I am not pleased with what I've done, certain content in a way keeps pushing me, and then, for example, when in addition to a play, a novel is also created, or a radio play with similar content. Only film scripts are some kind of an exception; in most cases these were adaptations of my novels.

**THE CHARACTERS THAT WRITE YOUR STORIES, AND WHICH ARE CO-CREATED BY YOU, LIVE LIVES WHICH ARE FIRMLY CONNECTED WITH YOURS.**

All my work is really my spiritual biography, although some concrete connections with my everyday life are not seen, or are at least hard to detect. As a rule, I experience my literary characters as spiritual creatures, who can begin to live their own lives inside the creative process. Simply, this means that they co-create their destiny, become the author's partner in dialogue, or even opponents. Such a creative procedure can, of course, also be exhausting and tiresome, but the pleasure is then so much greater. At the end, my literary heroes get even with me and do not hunt me in my dreams.

**IN YOUR MURSKA TRILOGIJA ('MURA TRILOGY') (WE ARE STILL WAITING FOR THE FINAL NOVEL) YOU SAID THAT YOU USE INTUITION IN YOUR WRITING. WHAT DOES THAT MEAN, AND HOW DOES IT WORK; DO YOU LISTEN TO YOURSELF, AND CAPTURE**

**PICTURES AND VOICES THAT LIVE INSIDE YOU?**

In my beliefs, I am a follower of Jung, and many of his views on the human mind, mainly the soul, have helped me make my creative process different from what we usually imagine. Precisely this brilliant gentleman, who staked a lot on his intuition, enabled me a long time ago to cross the limit of mere rationality, to go to the depths of the psyche and the mainly collective subconscious. I also got in touch with my own subconscious, and with the tradition and fragments of the elemental as found in fairy tales, folk music, legends and myths.

**DOES EMPTINESS EVER APPEAR?**

Emptiness usually appears at the end of an extensive and very important work, for me personally. Well, that, of course, is a common phenomenon, known to other creators of my kind, and I have learned to overcome it. At that point, I usually travel or I wander, or sit by the Mura River, or do something completely undemanding.

**THE MURA, WHICH IS YOUR OASIS AND WHERE YOU CHARGE YOUR BATTERIES, SEEMS MYSTERIOUS IN THE SAME WAY AS THE HAZES SURROUNDING THE PREKMURJE PLAIN: IS THIS THE REASON THAT MYSTICISM IS SEALED INSIDE YOU, AND AN INTEREST IN OCCULT SCIENCE?**

The Mura is in this area where it crosses Slovenia, extremely plain, with all the particularities of a plain river current. Since its course is relatively well preserved, and in some places still completely unregulated, these tracts are literally idyllic small pieces of untouched nature. But this idle, slow current is extremely deceptive and false; under the seemingly calm surface, a lot of dangerous whirlpools and other traps are hidden, so the Mura has claimed many lives. Of course, this double nature is in itself of literary interest, and is easily established as a unique metaphor. Well, I live differently with this river, I am a so-called "pilgrim to the river": I do know how to give up to it: I allow it to be my substitute for the "psychiatrist's couch" and it returns my dedication. The other thing worth mentioning about the Mura is the rich folk tradition and myths that were created over the centuries by people living by this river. Also, from these primeval segments comes much of the inspiration for my writing.

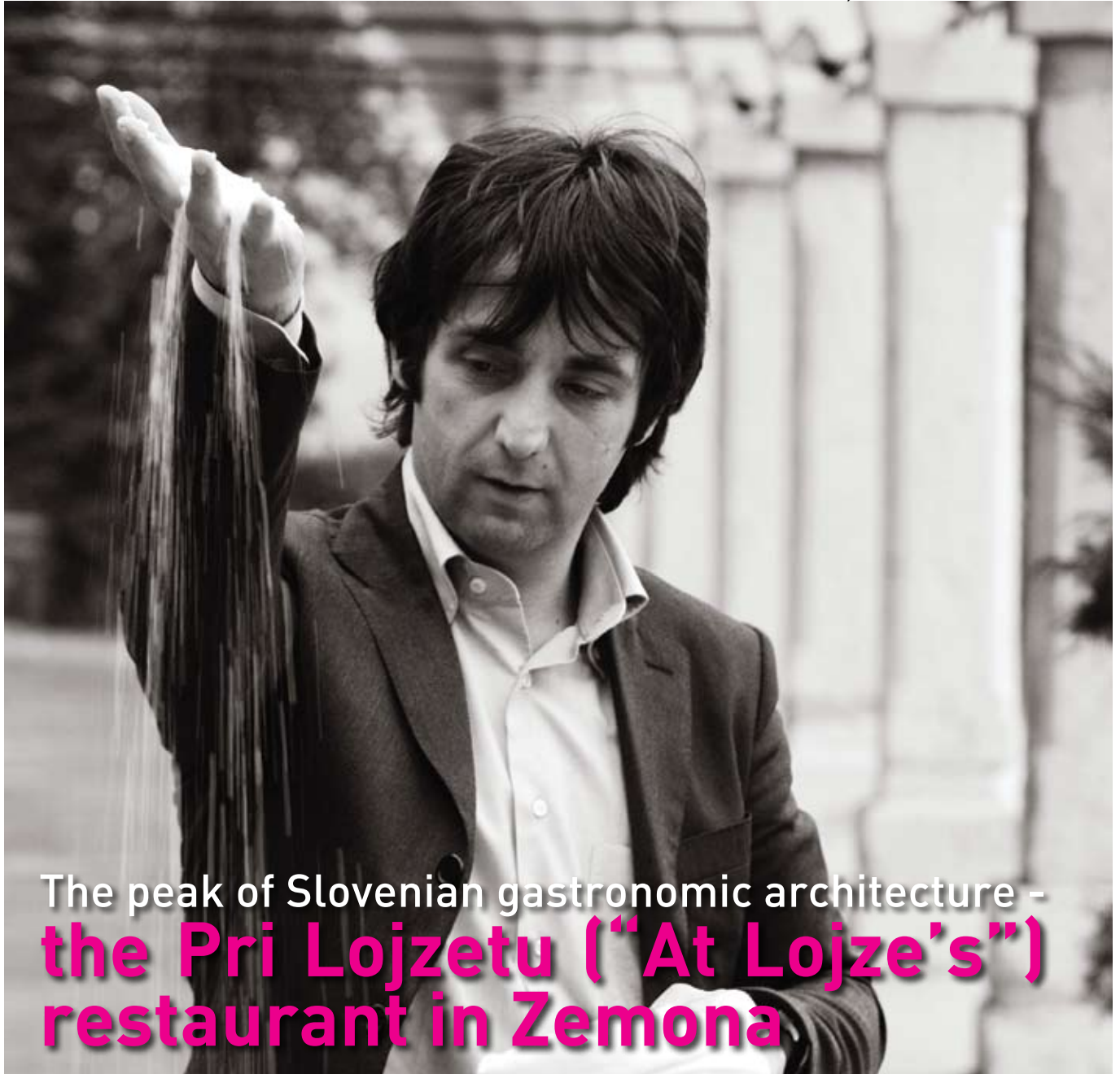
**YOU DO NOT APPEAR LOST AND ROAMING; THE POETICS OF THE HIGHLANDS AND THE EARTHINESS OF EVERYDAY LIFE ARE WITHIN YOU. IS THIS THE HARMONY WE ALL CRAVE FOR?**

Well, at least in my case I can only say definitely 'Yes'. Although I have led a rather stormy life, and even today, conventional approaches do not interest me very much, this constant walk on the edge, or life on the verge, has taught me a lot. One of my essential beliefs is that you have to achieve personal peace before you can actually live in peace with others.



# GOODSLOVENIANINNS

Text: ANJA LORENZETTI, Photo: Zemono archives



## The peak of Slovenian gastronomic architecture - **the Pri Lojzetu ("At Lojze's") restaurant in Zemono**

The restaurant Pri Lojzetu in Zemono in the Vipava valley, is one of the best Slovenian inns, which together with five other restaurants forms the Krog ("Ring") Society. Krog unites six of the best Slovenian restaurants; some of them we have already presented in Sinfo, the others will follow. The head of the restaurant, Tomaž Kavčič, called Tomi by his friends and acquaintances, already for 11 years together with the chef Marko Bolčina has been designing dishes for guests with his vivid imagination; they also remain loyal to the culinary and wine tradition of their environment, the Vipava valley.

"To the fore must be the taste; the techniques of cooking are not so important," Kavčič is convinced.

Pri Lojzetu restaurant was first mentioned in 1897, when a carter's inn was managed by Tomi's great grandmother Mrs Mici, together with her husband Lojze, after whom the inn is still named. Later on, the inn was taken over by their son Lojze, who with his wife has enriched the offer with six local dishes, as

taught by old monastic cuisine. The domestic knowledge was transferred to daughter Katja, Tomi's mother, who has taken care of the Vipava cuisine, and already a good decade ago brought the inn to the level of best inn in Slovenia. In the inn in Dornberk, a pleasant little village under the Karst plateau, people from all over Slovenia were visiting, among them the former president Milan Kučan, who was very enthusiastic about domestic Vipava food. Mrs Katja, passed on homeliness, next to creativity and originality to her son Tomi, who relocated the inn in Vipava valley, in Zemono Manor. Zemono in all its beauty spreads out on a hill between Vipava and Ajdovščina.

"The man does not stop at frontiers and different philosophies. He bravely walks forward and tries to place all the discoveries and ideas in the flavours of his Vipava valley and Mediterranean," says Tomaž Sršen, one of the leading Slovenian experts in the area of gastronomy, of Tomi's cuisine.

Tomi, besides an exceptional interest in combining flavours,



has inherited from his ancestors in catering also something of extreme importance. He has inherited soul, felt by the visitor the moment they enter the beautiful premises of Zemona Manor, decorated with refinement and elegance, and also in every detail of the vaulted basement area of the former manor of the Vipava counts of Lanthieri.

Next to the fact that in Zemona the most beautiful weddings take place, and that they prepare catering for the biggest Slovenian elite events, the Pri Lojzetu Inn is very connected with the 'slow food' movement, since in Dornberg they started taking care of the local cuisine and ingredients a lot earlier than in 1987, when Carlo Petrini established this world movement in Paris. For that reason, exactly in Zemona they had the founding dinner of the Slovenian slow food movement in December 1995. Through this movement, which has vast dimensions and has marked a huge number of excellent restaurants all over the world, Tomi and Katja learned a lot, and therefore today in their kitchen they follow the basic tradition of the movement - using fresh and seasonal ingredients for food preparation. In the dishes you perceive the freshness of the ingredients in respect of the season and the purity of the tastes.

Tomi wishes to retain his mother's excellent and long recognized dishes, but he does spice them up with his imagination and adds a modicum of diversity. Next to the typical polenta versions, to which he adds all the possible flavours and supplements, they also prepare traditional small Vipava gnocchi that can be served with chicory, smoked ham, or even Adriatic tuna with orange butter. Even their excellent "taljati" (fillets) follow novelties that surprise you over and over again. We also should not forget the welcoming dish that is served to every guest and is called "Tomi's Greetings from the Kitchen." This is no longer just horse radish spread with bread, but it became a true puzzle of seasonal flavours. So, they can surprise you with a lollipop that is made of the home Nanos cheese, pumpkin seeds and chicory, or with something else, new to your eyes and stomach, like purée with

white truffles. In short, Tomi spoils with miniatures, that are in the words of connoisseurs of the culinary "rather shocking," says Sršen.

The dishes are becoming a true modern culinary show, since at serving there is no lack of different effects, even smoky ones from the burning reeds. Everybody is astonished when a preserving jar full of smoke is placed on the table, and inside, thin as a hair, is a slice of raw golden mushroom, which is extremely rare, and called "the king of flavours", and is to the majority unknown. This puzzle of flavours from the smoke and olive oil is enriched with wine which smells like gentle apricot, orange blossom and lemon. In addition to the smoke spectacles, in Zemona you are served dishes with air and small sauces and soups which, together with a piece of meat or fish create entirely new flavours. In Zemona, even bean soup has become some kind of cream with venison.





Regarding the main course, they follow classical food preparation procedures, but the amount of meat on the plate is decreasing. I will present a unique way of food preparation that is called invention, and for which Tomi has in the culinary world received numerous ovations, and with it, also became a sought-after lecturer at culinary congresses in Europe on which the greatest names in cooking cooperate. The invention is used to name the grill on which we grill both meat and the fish. The basic ingredient of the grill is salt blossom from the Piran salt works, which is enriched by Tomi with a variety of selected herbs and spices from the Vipava valley. The preparation is conducted in such a manner that the bay salt is mixed with the herbs and aromatic plants, and then, the herbal tea is made from the same herbs with which, during heating, he moistens and aromatizes the salt spread over a hot plate. During the evaporation procedure the salt becomes compact, and when it reaches 180 degrees Celsius, you put the small pieces of fresh meat or fish on the plate. The dish put on during the grilling absorbs the selection of spices, therefore the pleasures next to the exceptionally clear flavour of the grilled sea bass without added oil or other fat, and the aroma of the Mediterranean herbs in which the salt is covered, are refined and indescribable. When the dish, in our case the fillet of sea bass, is grilled, the waiter lifts it with a thin and long clip out of the salt bath piece by piece, and puts it on finely cut slices of the grilled pumpkin, with even thinner layer of apple and celery. The fish

revives in the full splendour of flavours that are interconnected. For the cream topping, they serve home-made Russian salad, and wine from the rich home selection is served. Following the Mr Sršen stories, they serve this fish with wine which with its golden yellow colour, strong scent of citrus fruits and white apricot is not coincidental, and it only additionally enriches the flavours of the dishes. At the May congress in Naples, Tomi impressed an Italian publisher, who will present this invention in a book on innovation in culinary world to be published next year.

We certainly we can not forget Lojze's desserts which, without doubt, are very special, not just regarding their taste, but also their names. We can choose between excellent unfinished strudel, which is accompanied with unfinished tiramisu, ice-cream from Nanos cheese and the dessert "gin and tonic" that melts in your mouth just looking at it when they fire the juniper smoke above it.

A visit to Zemona, and lunch or dinner at Pri Lojzetu is an unforgettable experience that guides you in flavours of innovativeness and modernism in cooking. Five walks of our latest culinary thinking, which I warmly recommend, is just one of the non-recurring experiences among all those that are offered by their menu, which is designed like a book. The hardback, in wood, offers absolutely the best in the long tradition of the Pri Lojzetu Inn.





# NATURAL TRAILS

Text and photo: JOŽE PREŠEREN

Kluže Fortress near Bovec.



## Bovec with Kluže - only tourism remains

### NATURAL BEAUTIES, HISTORY AND CULTURE

Bovec, a unique Slovenian town in the very west of the country, has faced numerous challenges in the last decades, since all the damage caused by the earthquake in 1976 had not been remedied yet when a new shaking of the ground surprised them. They had hardly finished the renovation works after the first earthquake, and they already had to renovate after the second. The place is presumed to be the most northern city of Primorska, the region that stretches all the way from the Adriatic Sea to foot of the Julian Alps, therefore the town lies on the edge of Triglav National Park. In recent years, the place has been constantly renovated, of course also with substantial help from the state, and also the direct surroundings, especially a little village called Log under the Mangart was affected, and was almost entirely destroyed by the destructive landslide and floods. But when you revisit these places, you are overwhelmed with the optimistic mood: Bovec is still a construction site, although already plenty of houses have been entirely renovated; but on the other hand, it is obvious that a new, rather different and stronger town is arising here; Log under the Mangart is also renovated and becoming even more beautiful than it was, and the regulated riverbed of the Koritnica River is becoming less and less dangerous, above which, on the road towards the Predel pass, a new imposing bridge is arising, since the old one was carried away by the floods.

As a place, Bovec was first mentioned already in the 12th century, but it has only had town status since 1952. Of course, for a long time it was of exceptional importance, since it lies next to the old traffic road in the foothills of the Kanin Mountains. Therefore,

historical marks were left behind by the church owners from the middle ages, the Hapsburgs, and Napoleon's soldiers; we also should stress that it was also completely destroyed in the World War I, and that from 1918 till II World War it was under Italy, and in 1947 was ceded to Slovenia (and Yugoslavia).

In Bovec, there used to be some industry which kept in their home towns mainly the young people, but it is obvious that industry is withdrawing from the new development trends. Today, Bovec is mainly marked by tourism - in the summer, it is mainly visited by rafters and other admirers of water adventures from all around the world; many of them fall in love with the beauty of the most beautiful Slovenian rivers, the Soča. In winter, the tourist capacities of the town are occupied by admirers of winter sports, since in the direct vicinity is the highest Slovenian ski slope, on Kanin. Due to all these reasons, there are quite a few, and a series of companies offer rafting on the Soča River. Of course, we should not forget the most common trekkers and mountain climbers who choose Bovec for their starting point into the beautiful world of the Julian Alps. Tourism has become the town's most important industry.

### THE TRENTA VALLEY

Bovec is also natural starting-point for one of the most picturesque Slovenian valleys - the Trenta. This is a valley in the upper reaches of the Soča River which, just a little above the valley, also rises, and where its picturesque voyage starts. The valley is of glacial origin, and the water also shaped the relief. The Soča, the main thread of the Trenta valley, is one of the most beautiful and cleanest Alpine rivers, and is also full of variegated phenomena,





The source of the River Soča.

like rapids, falls, pools, river beds, shoals and gravel pits. The river is also known for the "Soča trout", a species originating in this river - normally, it is from 50 to 70cm long, but the largest caught so far was 121cm long and weight 25kg.

The organizers of tourism in Bovec have, for domestic and foreign tourists, also set up the Soča path that leads the visitors in Triglav National Park along the Soča from its source towards Bovec. In the direct vicinity of the source, each traveller stops by the monument to the Julius Kugy, mountaineer, writer and musician, and the first to describe the exceptional beauty of the Julian Alps. Also worth seeing are the river beds of Mlinarica, a swift stream that has scooped out a kilometre-long dell. Admirers of unspoilt nature will stop at the Juliana alpine botanical gardens, where around 600 different plants grow. The ironworks in Trenta are reminiscent of the beginnings of the ironwork industry in Trenta in the 16th century, and the technical heritage of the valley is pointed out also by some surviving mills and sawmills; another typical feature is the building heritage of Trenta, since the Bovec house is in many ways different from other houses in the alpine style. Also well preserved are some typical little villages and solitary homes, among them the Trenta and Soča village, and the Lepena valley.

## KLUŽE FORTRESS

Over the millennia, nature was shaped by glaciers which have scooped out and filled in the mountain valleys. Finally, the great waters ran off, and terraces remained in which the rivers incised their courses, many in the form of deep river beds. Above one such river bed, more than 70 meters deep, when the masters and conquerors of these picturesque places kept changing, saw the rise of the fortress of Kluže, which is 4 kilometres from Bovec, and which offered the easiest way to control the important road from Posočje to Koroška. Firstly, the fortress was a defence against invasion from the north, then from the south; it also protected against invasions by the French army in 1797. Still, the French succeeded and they even burned down the castle, which was later renovated by the Austrians. The fortress as seen today

was finished in 1882, and is an important cultural monument. It is interesting that in all its history it was just a military facility, but today is managed mainly by tourist workers, and today's army has no interest in it. The interior of the fortress has remained almost unchanged; even the shields of the crenels for the canons, and the armoured surveillance cupola remain, which is also an interesting metallurgical and technical inheritance. It is also interesting that the fortress, despite exceptional fighting in the immediate vicinity, namely in World War I, survived almost untouched, since it lies in a blind spot, under the steep slope of Mt Rombon, so that the Italian artillery could not reach it.

Nobody knew what to do with Kluže after World War II; the military did not need it, and it was not suitable for any other purpose. But luckily, despite that, the fortress is still well preserved and today is being "administered" as we said before, by local tourist workers, which is also as it should be. A group of people in love in with recent history, particularly of World War I, which raged right beside the Soča, formed Society 13-13 (Dreizehn dreizehn). The group of people, who are actually amateur actors, perform in the original environment of the fortress in a show with which they wish to show the life and suffering of Austrian soldiers in the years when the cruel maelstrom of war raged in Posočje. Since all the actors are also collectors of antiques from that period, the scene of their performance is the same: the actors perform in original uniforms, and carry original weapons and all the other military equipment; they also serve tea to the visitors which they have to drink from authentic military vessel from the period. An important role in the performance is also given to the multi-ethnic composition of the Austro-Hungarian army, since the characters include an Austrian officer and Slovenian, Bosnian and Italian soldiers.

Therefore, the performance of the Society 13-13 on the Kaluže is an interesting supplement to the tourist offer in Bovec and the area.



The monument to Julius Kugy in Trenta.

# CULTURAL TRAILS

Photo: DARINKA MLADENVIČ



## Advent - preparing for the Christmas celebration

On the first Sunday after 26 November the Advent season begins, and lasts for four weeks. It is a time of spiritual preparation for the celebration of Jesus' birth. Christians have been celebrating it since the 6th century, with fasting as the oldest way of Christmas preparation. Today, Advent is symbolized by a wreath with four candles. Believers at home and in church light a candle on the first Advent Sunday, which is repeated the next three weeks. The light rising signifies the growth of the good in our life.

Life during Advent season is peaceful, without young men singing, nocturnal visit to one's sweetheart, wedding parties or festivities. In Advent, ecclesiastical and temporal customs are intertwined and supplemented, as Christianity added Christian principles to pagan customs at winter solstice, according to the Slovenian ethnological lexicon.

Advent is also symbolized by a wreath from evergreen plants with four candles; each Sunday, believers light one candle, and on the last Sunday before Christmas, all four are lit. In Christian church this season is the beginning of a new ecclesiastical year and direct preparation for the celebration of the Lord's birth.

The Latin word *adventus* stands for arrival. Two 'Lord's arrivals' are noted in the Christian church. The first time Jesus Christ came to the world as a human being, born to St Mary, and his second arrival, which Christians expect on Judgment Day. Advent therefore has a double meaning. Besides preparing for the celebration of the arrival of 'God's Son' on Christmas Day, Advent also signifies the time of expecting Christ's second coming at the end of time.

Besides the external and material preparations for the church festival, spiritual preparation is important in the form of prayer and spiritual deepening or receiving a sacrament, fasting, good deeds or alms. The time of awaiting the new life is for many Christians time of personal search and solidarity with those close to them and/or the ones in need.

In the pre-Christmas time ecclesiastical and temporal customs being intertwined. Advent with its Christian ideas covers some pagan customs connected with the winter solstice. In this time many customs appear, mostly in connection with a belief in the special powers of plants and fire and the return of deceased spirits and Advent saints.

Connected with a belief in the special power of plants, Adonis gardens appear in Advent - in shallow bowls, sown corn, sprouted by Christmas and mostly used as a Christmas crib ornament.

In connection with the Advent saints, many customs are known on Saint Barbara's, Saint Lucy's and Saint Nicholas' day. On Saint Barbara's day, December 4, it is forbidden to sew, although it is the day to sow corn for the Adonis garden and to put twigs in water for them to blossom on Christmas Day.

Saint Nicholas' day on December 6 is famous for Saint Nicholas' tour, giving presents to children and Saint Nicholas fairs in different places. On Saint Lucy's day, 13 December in eastern Slovenia there are noted rounds of Lucy, who are scary or give presents to children, and the Polazar's rounds, who wish for better egg yields. This was also a day for fortune-telling, especially about the weather and love.





## Ljubljana Puts on the Festive Dazzle

The streets of Ljubljana lit up with Christmas lights galore on 3 December as the city started the countdown to the New Year's. Mayor Zoran Janković turned the switch on at a ceremony marking the official start of the festive season in Slovenia's capital. Numerous events were held in the Ljubljana city centre throughout December, when festivities culminate in a big open-air New Year's party at the Prešeren Square. It is tradition that people meet at the market in December for mulled wine and

gift shopping at the many stalls. Most cities across Slovenia have similar outdoor markets, with stalls selling diverse Christmas presents, mulled wine and a Slovenian specialty, hot mead. The period before New Year's is known in Slovenia as "veseli december" (Fun/Merry December) for the many celebrations taking place. This is also the period when Slovenian children are in anticipation of visits by as many as three figures bringing



Photo: STA



**I FEEL  
SLOVENIA**