Czechoslovakia after 25 Years: Democracy without Democrats

By Jiří Pehe

The Velvet Revolution in November 1989 found Czechoslovakia, just like the other states emerging from the era of communist dictatorships, with a centralised economy, no political pluralism and a civil society limited to a few dissident initiatives. The new political elite were faced with the tremendous task of creating the institutions of liberal democracy; a market economy, the rule of law and a civil society.

At the same time, it was clear that the country will not be able to transform itself successfully, unless it manages to address the communist past and learn from past mistakes. This particular problem was accentuated in the Czechoslovak case by the fact that the Communist Party of Czechoslovakia had not followed the path of the communist parties in Poland and Hungary, which managed to transform themselves into post-communist democratic left parties.

The new elite, led by President Vaclav Havel, a playwright and a leading opposition figure during the communist era, had to decide whether they should try to ban the unreformed Communists or whether they should hope for their elimination from the political scene through an open electoral contest. In the end, Havel and other new political leaders opted for a 'velvet' solution. The Communist Party was not dismantled and was, instead, allowed to compete in the free elections in June 1990.

This decision had a lasting impact on political developments in the Czech lands, in particular. While Slovakia's Communist Party eventually followed the example of Hungary and Poland, transforming itself into a democratic left party, the Communist Party in the Czech lands renamed itself into the Communist Party of Bohemia and Moravia, and eventually established itself – next to the Social Democratic Party – as one of the two main political forces on the left.

Seen from the point of political transparency, many analysts welcome this development even today, because the Czech Republic became the only post-communist country in East-Central Europe, in which the Social Democratic Party was created as a group separate from the former Communists. In this respect, the Czech Social Democrats played a different role than democratic left parties created from Communist parties in Poland, Hungary and even East Germany.
On the other hand, the presence in the Czech political system of an unreformed communist party, which, it turned out, was not to be defeated politically as easily as Havel and other former dissidents had thought, has in the last 25 years created serious problems for the Czech left. Every time, the Social Democrats won the elections they had to look for coalition partners among centre-right parties, as creating a coalition with the unreformed Communists was considered a taboo.

The continuing existence of the Communist Party as one of the main players in the Czech political system also contributed to a political and social schizophrenia of sorts. While the Czechoslovak parliament passed in 1991 the so-called lustration law, under which the people who had collaborated with the former secret police and former communist officials were banned from working for the government or government-controlled companies, the unreformed Communist Party was allowed to exist. This schizophrenia was even deepened when in 1993 the Czech parliament passed a declaratory law, under which communism was condemned as criminal.

Havel protested the lustration law as one based on the principle of collective guilt. He also argued that dealing with the past should be based on a public discussion and punishing former top Communists for crimes they had committed, rather than on trusting the archives of the former secret police. But he lost, and the little discussed past remains a neuralgic point in both the Czech Republic and Slovakia.

The split of Czechoslovakia
The past played an important role also in other post-communist developments. In Slovakia the newly arrived democracy empowered not only the people who saw the place of Slovakia in a democratic federation with the Czechs, but also the people who argued that Slovakia should go its own way. Some of them referred to the period before World War II, during which the relationship between the Czech and Slovak political elites was strained.

The argument that the cohabitation of the Czechs and the Slovaks in one federal state was to some extent an artificial construct that could survive after WWII only because of the communist dictatorship that did not recognise Slovak national aspirations was becoming stronger by the day in Slovakia after the first free election in June 1990.

While in the Czech Republic, the Civic Forum, an anti-communist umbrella group that defeated the Communists in the June 1990 election, served under the leadership of Vaclav Klaus as a foundation for creating a pro-reform liberal/conservative grouping called the Civic Democratic Party, in Slovakia the disintegration of the anticommunist umbrella group called The Public against Violence ushered in nationalist groups, demanding an autonomy or independence for Slovakia.

The second free elections, in June 1992, created two very different, basically incompatible political spectrums in the Czech Republic and Slovakia. In the Czech Republic Klaus’s Civic Democrats became the leader of the new Czech government, while in Slovakia the government was led by the nationalist Movement for a Democratic Slovakia, headed by Vladimir Meciar. The federal institutions were paralysed as a result. When Slovakia shortly after the parliamentary election passed its Declaration of Sovereignty Havel decided to resign from the post of Czechoslovak president.

Klaus and Meciar then worked in the next six months to split the federation in a peaceful and organised way. The country officially ceased to exist on 1 January 1993 and was replaced by
two new states: the Czech Republic and Slovakia. Because of the peaceful negotiated split, both new countries were recognised as successor states of Czechoslovakia by international organisations, and, as a result, were quickly able to negotiate their accession agreements with the European Union, as well as treaties with other international organisations.

The structure of transformation
The reforms of the last 25 years, first in Czechoslovakia, and after 1993 in the Czech Republic and Slovakia, can be best analysed in four separate yet interconnected areas:
● the creation of democratic political institutions and processes;
● the transformation of state-planned economies into market economies;
● the gradual introduction of the rule of law;
● and the growth of a civil society.

The order in which these four areas of transformation are listed points to the order of difficulty. In other words, while creating a system of free political institutions and processes could be in many ways directed from above, both the successful introduction of a market economy and the establishment of the rule of law required varying levels of civic engagements. Some political philosophers saw already 200 hundred years ago a market economy as a form of civil society. And the rule of law clearly depends not only on passing good laws, but also on the ability and willingness of people to respect the laws and internalise certain values.

Political transformation
Among the four areas of transformation, the creation of a democratic political system was the easiest – in relative terms. There were models in the form of existing democratic systems in the west and, in pre-communist political traditions. Institutional and political changes – staging free elections, introducing the necessary constitutional frameworks – could be achieved ‘from above’, through legislative measures or, in some cases, government decrees.

On the other hand, it was also clear that the democratic political system will not work well without political parties. Fortunately, both the Civic Forum in the Czech Republic and the Movement for a Democratic Slovakia disintegrated fairly quickly into new political parties. Plus, several new political parties were quickly create – some of them based on the pre-communist political parties.

While the political spectrum in the Czech Republic after the split of Czechoslovakia relatively quickly settled into a pattern known from the west and was dominated by the Communists, Social Democrats, the Christian Democrats and the liberal/conservative Civic Democrats, in Slovakia the nationalist bias caused some problems. Meciar was using the nationalist rhetoric to introduce an increasingly authoritarian style of rule, provoking in 1998 a revolt by the emerging civil society.

The emerging Czech political system experienced different problems. The centre right Civic Democrats, after losing their grip on power after a series of scandals in 1997, decided to support a one-party government led by their greatest rival, the Social Democrats, headed by Miloš Zeman. The deal, called the opposition agreement, was aimed against President Havel and smaller parties. It, in effect, paralysed some parliamentary procedures, when the Civic Democrats agreed to keep the Social Democrats in power in exchange for dividing the spoils of power with them. The opposition agreement created a corruption-prone environment that later caused major problems in Czech politics.

Creating a market economy
Economic transformation was a more difficult task than political reforms because, as mentioned above, compared to political institutions, the functioning of a market economy depends more heavily on non-institutional factors. It is not simply a matter if privatisation and free competition. If it is to work properly, the market needs to be recognised as a form of civil society based on certain virtues, ethical rules and respect for laws.

Unfortunately, Czech economic reformers, led by Vaclav Klaus, saw the creation of a market economy more as a mere technical process than a process that also should pay attention to the law and ethics.

Several ways of privatising the economy were devised – ranging from a large-scale restitution of assets expropriated by the Communists after their takeover in 1948, to an ‘original’ Czech scheme, called the voucher privatisation. Under this scheme, all citizens were allowed to purchase a book of vouchers for a symbolic prize and allowed to exchange their vouchers for shares in government-controlled companies.

The scheme suffered from a number of deficiencies, including a lack of transparency and the creation of millions of small shareholders who did not exercise any real control over privatised companies. In the beginning there was also no stock exchange where the shareholders could trade their shares. The legal framework was very weak, allowing some 400 so-called investment funds to spring up and buy the vouchers or shares from individuals. Some of those ‘funds’ were fraudulent, plus a number of new owners – very often former managers of state companies and members of the communist nomenklatura – stripped their newly acquired firms of their assets and shifted money abroad.

Direct sales to foreign and domestic investors were also used, but a lack of domestic capital and a lack of information about the companies which the state tried to sell were obstacles to this process. Moreover, even direct sales to domestic investors were often dubious schemes, in which state-controlled banks loaned funds to people whose only qualification often was their close relationship with top politicians.

Not surprisingly, the privatisation processes both in the Czech Republic and Slovakia were infamously tarnished with corruption and large-scale scandals. The necessary correction came only when both countries applied for EU membership in 1995 and, as a result, under pressure from Brussels, had to start introducing additional economic reforms, including the privatisation of major banks.

At any rate, the costs of the economic transformation in both countries were large. For example, the Czech Ministry of Finance estimated in the year 2001 that some 700 billion crowns (about 35 billion dollars) had been lost as a result of fraud, asset stripping and unnecessary bankruptcies.

**The rule of law and a civil society**

The introduction of the rule of law has been more difficult still, depending as it does, not only on the quality of legislation and institutions, such as courts, but on the level of public respect for them. Not surprisingly, it has become clear that good institutions and laws do not suffice to build a rule of law; law-abiding citizens are equally important. Respect for the law is directly tied to the maturity of civil society.

And this is the most difficult area to reform. The immaturity of civil society is to this day the factor most responsible for the low level of democratic culture in both countries. It cannot be
created from above, by adopting laws, decrees or EU standards. It is an organism that needs to grow from below, from the grass roots.

In other words, a robust civil society is a precondition for the internalisation of democratic values by people. And this internalisation, the individual’s ability to respect democratic values and traditions, is as much a precondition for a thriving liberal democracy as is the existence of proper institutions and constitutions.

Although civic groups in the Czech Republic and Slovakia have proliferated in the last twenty-five years, the civil society as a whole remains heavily dependent on financial assistance from abroad, as the culture of corporate donations to civic initiatives is still much undeveloped. Entire sectors of civil society across the region also depend on government funding, which makes the very notion of non-governmental organisations (NGOs) problematic.

Equally problematic is the unevenness in the development of various sectors of civil society. While interest groups and charities, for example, proliferate across the region, think-tanks and other groups offering expertise are still rare – partly because of higher costs and partly because politicians do not see such groups as partners but competitors.

At the same time, it should be noted that Slovakia has done better with regard to the functioning of its civil society than the Czech Republic. Vaclav Havel once remarked that each post-communist country needed a revolution against communism, but each also needed after a few years one against post-communism. When talking about post-communism, Havel had in mind a socio-political state of affairs in which the institutional foundations of democracy were successfully created, but large parts of society remained rooted in the patterns of behaviour inherited from communism.

When the Slovak civil society revolted against Meciar in 1998, it managed to propel Slovakia more beyond post-communism that the Czechs have managed so far. Perhaps as a result of this ‘revolution against post-communism’ the Slovak political representation after 1998 appeared to be more focused on transforming Slovakia into a modern democratic country along the west European lines than Czech politicians. Despite the fact both countries have suffered from corruption and many other social ills, Slovakia managed to adopt the euro, and in general, has been less problematic for the EU than the Czechs.

**Liberal democracy as a moving target**
The development of democratic culture in the region is tied to the notion of liberal democracy, which introduces another level of complexity. The idea itself contains a contradiction: democracy is a collective activity, propelled by the will of the majority; liberalism, on the other hand, emphasises the role of the individual and freedom.

A certain tension also exists between democracy as the rule of the people and liberalism as the rule of the law. In advanced liberal democracies, the rules of the game are at least as important as the procedural part of democracy, represented most significantly by elections.

Considering this complexity and contradictions, it is hardly surprising that in the wake of the 1989 upheavals the post-communist states – Czechoslovakia among them – adopted a simplified version of democracy, understood as free competition between political parties, which would regularly compete for power in elections. Civil society was seen as an enemy of political parties, respect for minorities was low. The rule of law was seen by the first generation of reformers as an obstacle to speedy economic reforms.
And it is only getting harder. Democratic development in the region has taken place amid the accelerating process of globalisation, which calls into question the very notion of the nation-state – the foundation upon which liberal democracy first developed. The Czech and Slovak democracies, just like all other emerging democracies in the region, are struggling not only with internally generated problems but with dilemmas created by supranational integration and by changes in the very paradigm of liberal democracy – the declining role of traditional political parties, for example, and the growing influence of the media on the democratic systems' functioning.

In the Czech Republic, the most important political parties were created from above, by small groups of newly-born elites. Even some of the historical political parties, such the Social Democrats, were re-established as basically elite projects.

In combination with a high level of mistrust among citizens in partisanship after more than 40 years of one-party rule, the creation of parties as elite projects has caused parties to be small and weak. There are no mass parties, to speak off. In fact, the Communist Party, which inherited a large membership base, remains the largest party in Czech politics.

The fact that such small and weak parties presided over an extensive privatisation process caused the parties themselves to be ‘privatised’. In other words, while leading parties played a crucial role in creating new entrepreneurs and powerful economic groups that dominated the newly privatised economy, they – due to their internal weaknesses – were becoming not only intertwined with these new economic actors but dependent on them.

Today, political parties in the Czech Republic and Slovakia often act more as business entities that trade with political influence than defenders of public interests. The high levels of corruption in both societies have to do with the fact that political parties are often controlled by behind-the-scenes economic interests.

When the privatisation process, which was a source of major corruption, ended, many of the newly created business interests used their close contacts with political parties to manipulate state tenders. According to conservative estimates, some 100 billion Czech crowns, out of some 600 billion the state spends annually on public tenders, disappear one way or the other in this systemic corruption.

The influence of big money on political parties, has, of course, been a problem in all democratic societies, but mass parties with long traditions that still exist in the west have been able to resist the dictate of big money better than weak, ‘privatised’ parties in post-communist societies.

The institutional weakness of the political parties that presided over the transformation process has led, in both the Czech Republic and Slovakia, to the rise of populist movements. In Slovakia, Robert Fico’s populist grouping Smer (Direction) eventually came to dominate over the entire left side of the political spectrum. In the last few years, it has tried to act as a social democratic party, but its populist origins are still visible in many ways.

In the Czech Republic, the last two parliamentary elections saw the rise of populist movements financed by wealthy entrepreneurs. The Public Affairs party, founded by millionaire Vit Barta, was a member of the ruling coalition after the elections in 2010. The current coalition is dominated by the ANO (‘Action of dissatisfied citizens’) movement of billionaire Andrej Babis.
The traditional parties that anchored the Czech political system for 20 years – the Social Democrats and the Civic Democrats – keep losing voters.

The political democracy in the Czech Republic and Slovakia has further been deformed by the fact that the creation of a market economy has heavily depended on foreign capital, mainly foreign direct investment by large multinational companies. In comparison with established Western democracies, domestic capital has played a relatively small role in the new market economy. If we take into account that market entities, such as small and mid-size businesses, played a crucial role in the creation of civil societies in traditional democracies, the relative absence of this segment of the market economy in post-communist countries has been an obstacle in building vibrant civil societies.

Public space that Jürgen Habermas saw as one of the pillars of modern democracies has not developed to the extent known from established democracies. Economic policies rather than truly democratic politics dominated the process of democracy-building, with the unfortunate result of diminishing the importance of anything ‘public’. As a result, wherever public space began appearing it came quickly under the pressure of markets and was often colonised by private interests.

**External factors**

If we take into account the positive influence of external factors, such as membership in the EU and NATO, it seems natural to argue that the Czech Republic and Slovakia have a better chance than ever before in history of succeeding in maintaining democratic regimes. These organisations have created a framework, in which the new democracies have to work. Some argue that the long-term survival of democratic institutions, which the benign external framework guarantees, will create an environment in which democracy as a culture will develop as well.

If we accept this argument it seems easy to agree with Tomas G. Masaryk, the first President of Czechoslovakia after 1918, who thought that Czechoslovakia could be safe as a democratic regime in 50 years if it lived in peace. Ralf Dahrendorf, too, predicted that the “hour of the citizen” – the last stage of democracy-building – would come only two or three generations after the fall of communism.

However, global developments make such arguments somewhat tentative. Liberal democracy’s roots in the Czech Republic and Slovakia began in the context of revolutionary global changes fuelled predominantly by globalisation, which itself was largely fuelled by revolutionary changes in communication technologies and science. In other words, the democratic paradigm may be changing globally.

Though the nation-state gave birth to the concept of liberal democracy, the idea itself has come under increasing pressure in this globalised world. Liberal democracy’s viability at the supra-national integration level remains unclear. For example, the European Union’s present state reveals that it is easier to apply constitutional liberalism (the rule of law and protection of human rights) to the supra-national level than the procedural dimension of democracy. The development of ‘cultural’ conditions for democracy, such as one political nation on a European scale, lags behind.

Globalisation has damaged not only traditional dimensions of liberal democracy, such as the role of political parties. The influence of expert bureaucracies is on the rise and the relationship between media and politics has become more complicated. Modern media, especially
television, are now major players on the political scene. With political agendas of their own, the media pretend to be the voice of the people; in reality, it is merely a tool of private interests.

While this is happening in democracies everywhere, the role of the media is significantly more problematic in post-communist societies, such as the Czech Republic and Slovakia, because of weak, highly politicised ‘public service’ media and because of weak professional standards among journalists.

To make things even more complicated for emerging democracies in Eastern Europe, building a strong civil society is being increasingly complicated by new trends of ‘virtualising’ the civil society under the influence of new technologies; public discourse and action have begun to increasingly occur through social network media.

What impact this development will have on liberal democracy is not yet clear. It is, however, apparent that in light of these new technologies, which enable a large number of individuals to communicate instantly and directly with each other, the role of representative democracy based on political parties is diminishing.

Combined with the traditionally strong anti-elitist sentiments in Czech society, which, in turn, are fuelled by plebeian traditions and provincialism of a country that did not have its own political elites for centuries and was for more than 300 year a province of Vienna, Berlin and Moscow, these are potentially dangerous trends. In other words the call is still out on whether the post-communist era will in the end be replaced by a fully functioning democracy – both from the institutional and cultural point of view.

Democracy-building, which seemed to be clearly defined in 1989 as simply embracing what has worked well for decades in the West, has become a rather elusive target. It is taking place in a world of revolutionary technological changes and the widening of the gap between the globally operating capital and cumbersome national democracies.

In 1989, the future of the Czechs and the Slovaks seemed to be the past, as Croatian philosopher Boris Buden sarcastically noted, referring to the fact the chief goal of the era of post-communism was to embrace the system of liberal democracy that had existed in the west while the east experimented with the communist utopia.

Irony aside, the task of learning liberal democracy and eventually ‘graduating’ to it, might have not been the most exciting exercise for many east Europeans once the initial euphoria evaporated, but it seemed achievable as long as the system of liberal democracy remained a fairly static model. But ‘the end of history’, which was to come with the global victory of this political and economic model, has not arrived, and the notion of liberal democracy has become ever more elusive in the world of corporate capitalism.

Both politicians and ordinary people in the countries that were to become full-fledged democracies after a period of transformation no longer seem to be certain what the ultimate goal is. Post-communism, as Buden would say, has become an era without a future-- a utopia of the past that does not exist anymore.

**Democracy without democrats**

In general, all new European democracies that emerged after the fall of communism in 1989 have undergone an unprecedented institutional modernisation, yet they still show significant
democratic deficits. The gap lies in the space between the two levels at which to judge the quality of democracy: institutions and culture.

Institutional modernisation can be accelerated by assistance and expertise – for example, the transfer of know-how from international organisations, such as the European Union. Developing a democratic culture takes much longer.

Democratic behaviour – active citizenship, willingness to compromise, tolerance for the views of others, respect for minorities – cannot be instituted from above. The creation of a truly democratic environment is tied to people’s ability to internalise democratic values, which, in turn, is closely tied to the growth of a civil society.

Ralph Dahrendorf referred to differences between the institutional and cultural sides of democracy-building in 1990 when he suggested that there will be a series of consecutive changes: the political and constitutional changes first, followed by economic changes, with socio-cultural changes completing the transformation process.

Some other analysts of the post-communist transformation, however, argued that the changes in the areas listed by Dahrendorf could not be consecutive, but must be simultaneous. And Klaus Offe predicted in 1991 that the need for simultaneity will be a major source of difficulties because there will be a mutual blockage of solutions to the problems.

As noted earlier, significant changes in creating a political democracy could be instituted from ‘above’, for example by passing new electoral laws or new laws on political parties, but it was impossible to create from above a civil society or respect for the law. These are cultural changes, taking much more time than reforms that could be launched by governments.

Masaryk after 1918 was well aware of this dilemma, when, after the creation of independent Czechoslovakia, he remarked: “Now we have a democracy, what we also need are democrats.” If anything, the problems of developing a real democratic culture are more severe now than they were after 1918. Newborn Czechoslovakia could build on the semi-democratic legacy of the Austro-Hungarian Empire. The class of 1989 had no such inheritance to work with. At least two generations had spent their lives under undemocratic regimes that almost totally destroyed civil society.

It was no coincidence that a prominent Czech journalist and political philosopher Ferdinand Peroutka called in the 1930’s his seminal book on the transformation process in Czechoslovakia after 1918 “The Building of the State”. Czechoslovakia in 1918 did not really have to build and learn democracy. Although democracy in the Austro-Hungarian Empire left much to be desired, there was a multiparty system, a constitutional monarchy, and the ‘Rechtsstaat’. And there was a civil society. What the Czechs and the Slovaks had no or little experience with was running their own state.

In 1989, the situation was just the opposite. The state was omnipresent: there was a state-run economy, one dominant state party, one state ideology. But there was no political democracy, no rule of law, no civil society.

And there was yet another significant difference. Unlike Czechoslovakia between 1918 and 1938, the emerging democracies of 1989 were surrounded by countries and international organisations eager to assist with democracy-building and usher them into supranational organisations like the European Union and NATO. Both Western Europe and the United States engaged in a massive transfer of know-how.
Judged solely as an exercise in institutional transformation, the results have been spectacular. Arguably, never have so many countries burdened with backward and authoritarian political institutions changed so quickly into essentially modern democratic regimes with market economies and the rule of law.

But the speed of this institutional transformation, culminating in NATO and EU accession, has had drawbacks. It created an even larger gap between the new institutional reality and democracy understood as culture. In other words, the very rapid institutional modernisation intensified Masaryk’s old problem of democracies without democrats.

The fallout from the gap between democracies built as institutional structures with the help of the West and democracies struggling to develop as cultures has been considerable. The new democracies of Eastern and Central Europe suffer from a highly confrontational and sharply polarised political environment. There is still little culture of dialogue and compromise. Mental stereotypes originating in the communist era are still strong. Some analysts speak of a ‘Bolshevik mentality’ that echoes communist-era attitudes like, ‘Who is not with us is against us.’ This results in a high degree of intolerance for other views. Political opponents are not to be listened to and worked with; they are to be destroyed.

As a result government parties and the opposition in countries such as the Czech Republic and Slovakia have not been able to look for compromises even in areas in which compromises were sorely needed. In the Czech Republic and Poland, for example, issues of national interest, such as the countries’ stances on further European integration, became hostages to intense domestic in-fighting.

Hopefully, the new democracies in the Czech Republic and Slovakia can cure many of their illnesses – that have to do with a lack of democratic culture – just by practicing democracy long enough. Many of the current problems are clearly generational – with the older generations accepting the rituals and the language of democracy, but not being able to internalise democratic values.

When Masaryk was asked when, in his opinion, Czechoslovakia will have a full-fledged democracy, he referred to the Bible. When the Jews were led from Egypt to the Promised Land by Moses, they spent two generations lost in the desert. This is a hyperbole, said Masaryk. It takes at least two generations to transform a nation of slaves into a freedom-loving nation with the necessary level of self-respect.
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