

THE EFFECTS OF POLITICAL CHANGES IN CZECHOSLOVAKIA ON ITS PEOPLE

Denise M. Maloney



Introduction

The political transformation that has taken place in Czechoslovakia over the past few years will have a tremendous impact on the world's markets and peoples. New cultural and economic opportunities will be available as communism is put to rest in Czechoslovakia and in its neighboring Eastern European countries. The opening of Czechoslovakian borders to trade (and the borders of all former Eastern bloc countries, for that matter) will offer much of Europe an accessible new country with which to do business. Also, tourism will be promoted, and many foreigners will have the opportunity to see a place that few outsiders have seen since 1948. For example, tourists in Czechoslovakia will experience the Castle of Charles IV, the taste of Czech food, the cobblestone streets of Prague and the vendors that line them. However, the changes the rest of the world can expect as a result of political changes

in Czechoslovakia are minor compared to those which Czechoslovak citizens will experience.

The changes that are occurring in Czechoslovakia are many and complex. It is the intent of this paper to discuss some of the effects, actual and anticipated, of political changes in Czechoslovakia on its people. Some first-hand observations will be given on a few of the ways that Czechoslovak life has changed or is going to change. There are many manifestations of political changes in Czechoslovakia, and the reactions of Czechoslovaks to these changes vary depending on the individual's perspective. For instance, Czechoslovaks are no longer guaranteed a job by the government. Some Czechoslovaks are extremely upset that this "privilege" has been revoked, whereas others are elated by the challenge the situation brings. However, when asked to identify the most favorable outcome of the abolition of communism, most Czechoslovaks agree it is the freedom they now have.

Newly Found Freedoms

The most significant way that Czechoslovak citizens have been affected by the end of communism, by the opening of the borders, and by privatization is, by consensus, their newly found freedoms. To quote a Czechoslovak college student, "We have the freedom to say anything, to read anything, and to express our thoughts about anything. We are no longer oppressed or forced to have a communist ideology. We can now travel to any country. We are free." (Klikova) These are things that we Americans take for granted, since they have been a way of life for over two hundred years in our country.

One outward manifestation of the Czechoslovaks' newly found personal freedom can already be seen in the streets of Czechoslovakia. Peter Balcar, who is a Czechoslovakian tour guide, reports that there is a friendliness in the streets that wasn't there prior to 1989. Before, people were suspicious of one another, and only family members could be trusted. (Balcar) Czechoslovaks generally partook in conversations only with those whom they knew were not government "spies." (Klikova) Today, people are beginning to lose their inhibitions about communicating with strangers, and some even say *dobry den* (or hello) in passing.

Surely walking down the street is a more pleasurable experience now than it was in 1988, when one felt watched and the object of suspicion most of the time. But, the fall of communism is changing other aspects of life as well.

Changes in the Workplace

Czechoslovak citizens are like most people around the world in that they spend a little less than one-third of their adult lives working. People work for many reasons: to challenge them intellectually, to interact with others, and most importantly to earn money to support themselves and their families. Though as of August, 1991, the "capital and labor markets were practically unchanged" (Benacek), privatization will greatly alter the workplace for Czechoslovak workers. The outlook is very good from the perspective of a hard-working

Czechoslovak as wages, working conditions, and the way workers are treated are generally all expected to improve.

As of late 1991, workers employed by private businesses were paid nearly double the salaries earned by government workers. This is one reason Czechoslovaks are generally supportive of privatization. Under communism everyone had a job. To get a job, a prospective worker simply filled out a form and submitted it to the appropriate government agency. In a week or two he would receive notice as to where he was assigned. The job might be undesirable or located across the country, but the worker still had to go. (Benacek) Nepotism played a large role in deciding which jobs went to whom. (Klikova) As a result, college graduates were not necessarily hired in fields in which they were trained nor were they usually given the "better" jobs. Since jobs are no longer assigned by the government, competition among prospective employees will be fostered and the most desirable and highest paying positions will go to those most capable of doing the job well.

Yet another way workers will be affected by the political changes is by way of better working conditions. Industrial workers in Czechoslovakia often endure working conditions that are poor by Western standards. First-hand observations at CKD Lokomotivka Co., a fairly typical factory in Prague, are a case in point. As of late 1991, CKD was still government operated. Its workers did not wear hard hats or steel-toed shoes for protection though they were working around heavy and potentially dangerous metal locomotive parts. Moreover, about one person per year on average is killed on the job at this factory. (Siman) Perhaps even more alarming is the fact that if a worker felt endangered by the factory's poor safety practices and reported a hazardous condition to an "outside agency," the worker could be fired. (Siman)

Up to this point, it seems as though workers can expect only changes for the better as a result of the fall of communism and the introduction of privatization. There is, however, at least one way in which Czechoslovak workers will be negatively affected by changes in the political system in Czechoslovakia. Since the government is no longer providing jobs to

everyone, the Czechoslovak people must learn to deal with one reality of free market economies: unemployment. Unemployment in the Czech and Slovak republics increased sharply in the years 1990 and 1991. (*Monthly Statistics of Czechoslovakia*, March 1992, pp. 68-71) One problem so far is that many of the unemployed refuse to get jobs. They would much rather go back to communist days and have the government support them. (Sujan)

Consumer Goods

Yet another way Czechoslovak citizens will be affected by political changes is through the wider range of consumer goods they will have the opportunity to purchase and enjoy. At the present time, there is a shortage of consumer goods in Czechoslovakia, but the situation is not as bad as that in Poland or Russia. (Sujan) In those countries it is not uncommon to have to wait in line for hours merely to buy bread, meat and other basic goods. It is expected that in the near future shortages in Czechoslovakia will not be a serious problem as new businesses emerge and Czechoslovak borders are opened for trade. Czechoslovakia produces a wide range of goods; however, it has been the custom to produce almost everything at poor quality and poor technical standards. (Sujan) The introduction of competition into the Czechoslovak marketplace will likely produce higher quality goods because consumer demand, rather than the government fiat, will dictate what is produced.

Environmental Conditions

Most Czechoslovaks currently live in an environment suffering from poor air quality. In fact, approximately half of the country has levels of pollution which are five or six times higher than is normally considered safe for human health. (Zieleniec) As a probable consequence, the average life expectancy in Czechoslovakia has decreased over the past decade or so from 68 to 65 years. Moreover, Czechoslovakia faces an epidemic of asthma among children. (Sujan)

Perhaps with the introduction of democracy, people will be less reluctant to demand that their leaders initiate and enforce "clean air"

laws similar to those in the United States and other Western countries. At the moment, though, the Czechoslovakian attitude about the environment is generally one of ignorance and apathy.

Business Attitudes

The effects of changes in the socio-political system of Czechoslovakia on its people are likely to include more and better consumer goods, improved working conditions, and a cleaner environment. A change has also begun to take place in Czechoslovak ideas about freedom, private ownership, and competition. The people of Czechoslovakia are gradually beginning to develop entrepreneurial attitudes, including such notions as the customer comes first and that businesses should aim to please. Former attitudes, however, are slow to change. As one observer puts it, "It [is] not simple to unlearn the economic malpractices picked up during 45 years of communism." ("Privatisation in Eastern Europe," 1990, p. 21)

In Czechoslovakia, people are not conditioned to thinking that earning money is a desirable thing. In fact, before the reform it was not uncommon for one neighbor to call the police on another if there was a suspicion that the latter was earning money from a job other than his or her government-appointed one. (Dvorak) According to Professor J. Zieleniec of Charles University, the hardest thing to teach people is that one can make money, but the efficiency with which the job is performed will often determine how much money is made. He told a story of a vendor selling grilled chicken on the streets of Prague. Although there was a line accumulating behind the person he was serving, the vendor still only put each piece of chicken on the grill as it was ordered. This man clearly needs a "McDonald's attitude." Czechoslovaks still have to learn how to do things bigger, better, and faster. This transition is slow because most workers are used to having "do-nothing" jobs. (Zieleniec)

Typically at restaurants in Czechoslovakia reservations must be made well in advance. Without reservations it is practically impossible to get a table even if the restaurant is empty. A recent article in *Business Week* attributes this

to one reason in particular:

Most restaurants are still state-owned and workers are paid a straight salary -regardless of service. Since many headwaiters prefer less work, walk-in customers are shooed away from nearly empty restaurants. ("Eastward, Ho!...", 1991, p.53)

Even if a reservation is made in advance, the situation is often not much better. The attitude of the wait staff is "Come, order quickly, and leave." Vladimir Benacek, an economics professor at Charles University, explains low worker productivity under communism in the following way: "At a wage of six cents per hour, workers expect only to sleep, read newspapers, drink coffee, and discuss politics. To get workers to work, you have to pay them three dollars per hour." (Benacek)

Yet another problem in the workplace is that of employee theft. Not only is employee theft common, it is apparently considered acceptable. As one native Czechoslovak puts it, "He who doesn't steal (from work) robs his own family." (Klikova) It seems obvious that significant modifications in attitudes are needed if the Czechoslovak people are to adjust to changes that are occurring around them.

Are the People Prepared for Change?

Exactly how will the lives of Czechoslovaks have to change in order to facilitate the transformation taking place in the political arena? To determine that, let's go back to how life was under communism. Even though most people opposed communist ideals, they didn't have the courage to speak out against them. People who spoke out often became outcasts and were even followed by the secret police.

There were spies at work, at school, at church, and at the grocery store. Czechoslovaks never knew by whom or when they were being watched. For this reason, people were forced to lead two lives: a public life at work, school, or in the grocery store, and a private one at home with their families. (Klikova)

The sudden freedoms Czechoslovaks have been granted have caused feelings of insecurity in some. The fact is that central planning,

though restraining, is reassuring. ("Perestroika...", 1990, p.11) Now people have to be responsible for their jobs and their money. Before, they were responsible only for their happiness. (Klikova) The work may be a lot tougher now, but the rewards are greater as well. Czechoslovaks are free to travel and not only can have political thoughts, but can express them as well. They can be themselves in public, choose their occupations and read anything they want. These freedoms require a degree of responsibility, of course, but most would agree they are well worth it. The responsibility of managing their own money is a new one for most Czechoslovaks. Before the revolution, most didn't have much money to manage so it was never a concern. Now that Czechoslovaks are encouraged to earn money, banking will likely become a part of their lives. In August, 1991, the construction of the first commercial bank in Czechoslovakia was under way. (Zieleniec) Major international banks are also showing an interest in Czechoslovakia. One such bank is New-York-based Citibank.

In the United States, banks are usually accepted as trustworthy institutions. Czechoslovaks do not hold this same attitude toward banks. In fact, before 1989 some Czechoslovaks didn't even know if they would be allowed to withdraw money deposited in the state bank. (Klikova) Czechoslovakia has been called

the ultimate checkless society [no pun intended]. No plastic, either. Just cold cash. So to meet a payroll each month might mean loading up an armored truck with sacks of zlotys, forints, or korunas. ("Eastward, Ho!...", 1991, p.53)

Even today, most places of business do not accept American Express traveler's checks. Also, no electronic bank transitions occur in Czechoslovakia, and it takes about two months for a personal check to clear. In fact, at the time of the revolution, most people in Czechoslovakia had never even seen a personal check. (Zieleniec) Vlastimil Tesar, from Statni Banka Ceskoslovenska, reflects that "it will take time. It is a time-consuming task to convert people's thinking about this structure (banking)."

Communications

Telecommunications in Czechoslovakia today are very poor. It often takes three or more tries before a telephone call will go through, and sometimes it never does. While the problem is well known, the necessary capital needed to improve the system is scarce. (Benacek) The importation of new businesses which need telecommunications to operate may spur improvements in this area rather soon.

Before the reform, newspapers contained hardly any real "news," and were filled mostly with government propaganda. Today, journalists are free to write anything they like. Nevertheless, newspaper readers still don't get much in the way of news. The newspapers contain mostly opinion and rumors often presented in an unsophisticated and uneducated style. (Balcar) One particularly humorous story found in the Czechoslovak newspaper *Prognosis* exposes an alleged Disney plot to buy Prague and transform it into "Prahaland." The scandal is "uncovered" in a letter written to John Allison, Prague's American Advisor, by Oliver North, the "Eastern European liaison" for Disney's "Strategic Planning Division." The letter relates several key points of the alleged takeover, including:

- 1) Czech natives living in the district will be permitted to retain their housing provided they become Disney employees; and
- 2) The Charles bridge will be fortified to support the monorail system and its statues will be switched to Disney characters, with the exception of Jesus. The Disney Folk Masters will perform traditional music, and local musicians will have the opportunity to perform an approved selection of Beatles songs. ("Disney Plot Exposed by Insider," 1991, pp. 6-7)

In Czechoslovakia, journalists all too often write what they think the public would like to read whether it is true or not. (Balcar) Perhaps when the novelty of a free press wears off, newspaper writers will concentrate on informing, rather than editorializing and fictionalizing.

Intellectual Freedoms

Under communism, religion was not illegal in Czechoslovakia, but it was discouraged. One such means of discouraging religious practice was by denying the children of religious families admission to high school. (Balcar) The return of religious freedom in Czechoslovakia will allow many people to be open about their religious beliefs. Perhaps religion will even help them cope with the changes they are experiencing and those that are ahead of them. The consequences of religious freedom are difficult to put into words. Religion is a world to be experienced, and Czechoslovaks will finally have this opportunity without repercussions for their actions.

Another intellectual freedom Czechoslovaks have been given is the freedom to read books on any subject. Under communism, only books that supported the ideals of the state and discouraged philosophical or independent thought were legal. (Klikova) Books that contained non-communist ideas or those that might provoke rebellion or feelings of discontent were strictly forbidden. "Black market books" containing forbidden ideas were sometimes available, but were, in general, difficult to get. Czechoslovaks were so starved for intellectual stimulation that they read such books even though they risked being caught and punished. (Klikova)

Today such books are no longer illegal, and books on many subjects are readily available. The lack of intellectually stimulating books is likely an important cause of the intellectual stagnation most Czechoslovak citizens suffer. Professor Viktor Knapp of Charles University says the reason Czechoslovaks are uninterested in intellectual advancement is that between 1948 and 1989 people were "discouraged from being intellectual." (Knapp) Since freedom of thought and expression have become legal in Czechoslovakia, it seems likely that acquiring knowledge will once again be encouraged and desired.

Conclusion

The changes that have taken place in the socio-political system of Czechoslovakia will have a tremendous impact on its citizens. After the communist takeover of the country in 1948 the Czechoslovak standard of living decreased 30-70 percent. (Dvorak) Today, economic reformers face the challenge of raising that standard of living to the past level and beyond.

Though there is a long way to go, most Czechoslovaks are enthusiastic about the possibilities that have been opened up for them. Some of these possibilities include safer working conditions, fairness on the job, more and better consumer goods, the ability to earn higher incomes, and more efficient telecommunications. With a little hard work and a lot of time, Czechoslovakia will one day attain the status it had in 1938.

REFERENCES

- Balcar, Peter. Interview, Charles University, Prague. August 9, 1991.
- Benacek, Vladimir. Lecture, Center for Economic Research and Graduate Education, Charles University, Prague. August 7, 1991.
- "Disney Plot Exposed by Insider." *Prognosis*, 1, issue 8, October 25 - November 7, 1991, pp. 6-7.
- Dvorak, Pavel. Vice-President, Association of Czechoslovak Entrepreneurs, Prague. Presentation, August 8, 1991.
- "Eastward, Ho! The Pioneers Plunge In." *Business Week*, April 15, 1991, p. 53.
- Klikova, Lucy. Interview, Charles University, Prague. August 9, 1991.
- Knapp, Viktor, Vice-President, Czechoslovak Academy of Sciences, Prague. Presentation, August 6, 1991.
- Mejstrik, Michal, Center for Economic Research and Graduate Education, Charles University, Prague. Lecture, August 5-9, 1991.
- Monthly Statistics of Czechoslovakia*, March 1992, pp. 68-71.
- "Perestroika . . . And Now for the Hard Part." *The Economist*, April 28, 1990, p. 11.
- "Privatisation in Eastern Europe." *The Economist*, April 14, 1990, p. 21.
- Siman, Ivan. Presentation, Ckd Lokomotivka, Co. Ltd., Prague. August 9, 1991.
- Sujan, Ivan, President, Federal Statistical Office, Prague. Presentation, August 6, 1991.
- Tesar, Vlastimil, Director, Statni Banka Ceskoslovenska, Prague. Lecture, August 8, 1991.
- Zieleniec, J., Director, C.E.R.G.E., Charles University, Prague. Lecture, August 5, 1991.