800,000 take strike action in the Czech Republic

Markus Salzmann 27 June 2008

The following article is to be translated into Czech for distribution at the next demonstration against the policies of the current Prague government.

The huge attacks carried out by the Czech coalition government against the social gains and living standards of the population are exacerbating social and political tensions, which are already the most intense since the re-introduction of the free market in 1989-1990. On Tuesday, June 24, a total of 800,000 took part in strike action to protest the government's policies.

In recent weeks, thousands of public service employees, teachers, truck drivers, pensioners, doctors and nurses have protested against the savage programme of reforms introduced by the coalition government led by Prime Minister Mirek Topolanek. Topolanek's government—consisting of his own right-wing, conservative Citizen's Party (ODS) in a coalition with the Greens and Christian Democrats (KDU-CSL)—has passed a series of measures in the sphere of healthcare, pensions, social and finance policy, which has substantially worsened the situation for broad layers of the population.

At the start of the year, the government introduced a fee for visits to the doctor and attendance at a hospital—thereby wiping out the former system based on free medical care. The new fees are mandated even in the case of emergencies and apply to pregnant women and children. At the end of May, the Czech constitutional court ruled by a slim majority that the reform was legal.

At the same time, Topolanek and his health minister, Tomás Julínek, have further plans to privatise Czech health insurance companies. Following the financial boost resulting from the newly introduced medical fees combined with a series of cuts to benefits, the government then plans to privatise health insurance companies and float them on the stock exchange.

Such a move would reduce comprehensive healthcare to a privilege enjoyed by the wealthy. Doctors, nurses and other medical personnel have quite rightly pointed out that such a step would inevitably lead to job cuts and reduced provision for patients.

The government's pension reform (which was passed unanimously) aims at cutting back the country's total of pensioners. The retirement age is to be raised in stages from 60 to 63 years. Pensions had already been radically cut in recent years. At the start of the 1990s, the average pension amounted to around 54 percent of the worker's former wage. This figure now stands at around 40 percent.

These cuts in basic entitlements are taking place against a background of drastically rising prices. The prices for foodstuffs have risen by between 20 to 40 percent in recent months and the huge rise in the cost of electricity and petrol has left many households destitute.

The inflation rate in June is averaging 7.5 percent—a new record. According to the office for statistics in Prague, the main reason for the sharp increase in prices was a rise in the rate of value-added tax from 5 to 9 percent, which especially affected the price of food and public transport.

Rents have also risen steeply in recent years, and the price of

accommodation in Prague or Karlsbad is comparable today with most other major western European cities.

While hundreds of thousands have been plunged into a struggle for existence, a small minority at the top of society has been able to accumulate enormous wealth. In 2007, the number of dollar millionaires in the Czech Republic increased by 1,660 to total 15,000.

The foundations for most of these fortunes were laid during the wave of privatisations carried out in the 1990s. In the first few years after the collapse of the Stalinist regime in Czechoslovakia, the current head of state, Vaclav Klaus, introduced a policy of so-called "coupon privatisations." This enabled state-owned enterprises and institutions to be sold off to foreign investors and speculators at rock-bottom prices—thereby privatising overnight a large share of the country's social wealth.

Since then, every Czech government, conservative or social-democratic, has exclusively defended the interests of the country's wealthy elite and foreign investors. Since 1990, the conservative ODS and the social-democratic CSSD have worked closely together to ensure the country fulfils the stringent financial criteria laid down by Brussels for entry into the European Union.

Any show of opposition between the Social Democrats (CSSD) and the current government is merely for public consumption. Due to the political deadlock arising from the face-off between the conservatives, Christian Democrats and the Greens on the one side and the Social Democrats and the Communist Party (KSCM) on the other, the government can only survive in office with the support of defectors from the social-democratic camp. This latter group of deputies tolerate the government allowing the Social Democrats to play the role of opposition while at the same time propping up the government.

This antisocial and reactionary political conspiracy is being met with increasing public hostility and resistance. According to recent opinion polls, the conservative ODS would be the clear loser in the event of new elections, while the two junior partners in the coalition would fail to make it over the 5 percent hurdle necessary for parliamentary representation. According to the polls, the Greens would receive just 4.9 percent.

This slump in popularity has led to fierce political conflicts in the government coalition and the entire political establishment. The Greens in particular are riven by political divisions. The party had been able to win more than 6 percent in the federal elections held in 2006 on the basis of the broad disillusionment with both the conservatives and the Social Democrats. But barely after getting into parliament, the Greens offered their services to the conservatives. Ever since, the Greens have been amongst the most aggressive advocates of dismantling social and welfare benefits.

The sudden decline in the party's fortunes after just one legislative period has led to bitter conflicts. Two Greens deputies—Olga Zubova and Vera Jakubkova—have crossed swords with the party leader Martin Bursik and threatened on a number of occasions to resign from the party's parliamentary fraction. Points of conflict are not restricted to domestic

policies but also involve the controversial decision by the government to allow the United States to set up parts of a planned anti-missile defence system on Czech soil. Although 80 percent of the population reject the missile system, the Czech foreign minister, Karel Schwarzenberg (Green), has threatened to resign if the project *does not go ahead*.

The fact that such bankrupt and discredited parties are able to so openly defy the public and push ahead with their despised policies is only possible because of the role played by the trade unions and the Communist Party.

Although the country's two biggest trade union federations—CMKOS (Czech Moravian Confederation of trade unions) and ASO (Association of Czech independent trade unions)—have called for protests and strikes against the government, both organisations function as political tools of the country's business and political elite.

As has been the case in previous years, the unions are limiting any protests and strikes to strictly isolated and limited activities allowing their members to harmlessly let off steam. At the same time, the credibility of the trade unions has suffered considerably. At the start of the 1990s, around 90 percent of the national workforce were organised—today, this figure is less than 30 percent.

Criticism of the government on the part of the trade unions is directed only at the speed with which the coalition intends to press ahead with its reforms and against some of the more crass examples of the abuse of social rights. They are not opposed in principle to the government's reforms. CMKOS Chairman Milos Stech has expressly emphasised the need for pension reform. This should be done, however, in a "professional and thought-out" manner.

The basic tenets of the CMKOS are anticommunism and nationalism. The trade union emerged in 1990 in the wake of the "democracy movement" and called openly at the time for rapid free-market reforms—well aware that such reforms would have disastrous consequences for hundreds of thousands of workers. The union also welcomed the division of Czechoslovakia into two independent states, and encouraged backward nationalist sentiments that served to confuse and weaken the working class.

The CMKOS has always worked closely together with the representatives of government and big business and expressly supported all those measures required for the country's entry into the European Union—including wage and welfare cuts and privatisations.

The real motives behind the apparent opposition of the trade unions was explained a few years ago by CMKOS Vice Chairman Zdenek Málek, who said, "Our goal was not to solve everything by strikes, but rather by the threat of strikes. For example, by bringing 100,000 people together in the centre of Prague. We did that twice. Rail workers and miners actually took strike action—as did the teachers. At the time, the colleagues could rely on our solidarity. But all in all, we were able to keep the social peace."

Maintaining the social peace is also the aim of the country's Communist Party. Against a background of instability inside the government and brewing social conflicts, the Communist Party, which still includes many of the cadre of the former Stalinist nomenclature, looks upon itself as a stabilising factor. The ex-Stalinists detect an opportunity to play their own role in power under conditions where the central government in Prague is coming under increasing pressure from the population at large and from within its own ranks.

The Communist Party extended an invitation to the head of the Social Democrats, Jirí Paroubek, to attend their last congress. Paroubek turned down the offer, but this did not prevent the party leadership led by Vojtech Filip from repeating its demand for a coalition between the Social Democrats and Communists. In such a coalition, both parties are reckoned to possess a slim majority.

The wooing of the Social Democrats by the Communist Party is not

surprising when one recalls that prior to 1990, they were both united in the Stalinist party of state. The CSD (forerunner of the social-democratic CSSD) represented all those who sought to bury their Stalinist past as quickly as possible and emerged as glowing advocates of the capitalist free market. For its part, the KSCM emerged as a repository for Stalinist hardliners who felt left out when it came to dividing out political influence and the economic benefits of Klaus's privatisation programme. This had nothing to do with a principled opposition to the restoration of capitalism.

In fact, the former Stalinist apparatuses played a key role in all of the eastern European states in the introduction of capitalism and the subordination of social life to the interests of Western investors.

This was the case in Bulgaria, Poland, Hungary and Romania, where leading members of the Stalinist Communist Parties were able to shamelessly acquire their fortunes at the expense of the population. Once entrusted with government responsibility, the Czech Communist Party would undoubtedly take the same path by moving further to the right and implementing measures, which are essentially the same as those being enforced by the current government.

Despite a track record of fidelity to the free-market system, the Communist Party has come under pressure from a political elite, which is not even prepared to accept even a verbal protest to its policies and priorities.

In this respect, the ban of the Communist youth federation (KSM) is characteristic. This organisation was banned in October 2006 by the Czech Ministry of the Interior because it called for the "abolition of the private ownership of the means of production". The ban was directed in the first place against the Communist Party, which still has the third largest membership of all Czech parties and maintains some influence. But more significantly, the ban was a warning to the working population that the country's elite was determined to criminalise and suppress any opposition.

The Communist Party has a long history of suppressing the working class and would quickly avail itself of this tradition should it be admitted to government at some future stage. At the moment, the party is trying to canalise the current protests and to tie workers to the Social Democrats.

The struggle against the coalition in Prague cannot be fought on the basis of either trade union militancy or the leftist and deceitful phrases trotted out by the Communist Party. Only a movement that opposes these discredited and reactionary organisations on the basis of a socialist and international perspective can defend the rights of the working population.

This is the perspective of the world Trotskyist movement, the International Committee of the Fourth International (IKVI), and the *World Socialist Web Site* (WSWS).



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