

Routledge Studies in the European Economy

CENTRALLY PLANNED ECONOMIES

**THEORY AND PRACTICE IN
SOCIALIST CZECHOSLOVAKIA**

Libor Žídek



Centrally Planned Economies

Offering a retrospective view of how the system operated in Communist Czechoslovakia, this book is an important voice in the discussion about the systems of central planning. The unique features of the book include in-depth research comprising both archival records and analyses of around 75 interviews conducted with period managers across a wide range of management levels. They provided evidence of pervasive inefficiency resulting in appalling economic outcomes.

The book begins with a background to the politico-sociological system in Czechoslovakia and proceeds to describe the Marxist-Leninist ideological foundation of the regime, which underpinned the formal setting of the Czechoslovak model. These initial chapters set the context for the subsequent analysis of the real functioning of the system. The book explores the economic outcomes that must be understood as a natural consequence of the ways in which this system operated. The author finishes by answering the important question of why centrally planned economies trailed behind the market economies.

The book's unique use of the interview research format brings a vivid, close-up view of the everyday economic life in the centrally planned system. This will be a valuable contribution to the discussion surrounding the day-to-day reality of the system, which was found to be more colourful than is generally deemed. The book will appeal to both economic historians and students of economic history. A warning against repeating past mistakes, this book will also be of interest to those seeking a greater knowledge of the realities and consequences of centrally planned economies.

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Centrally Planned Economies

Theory and Practice in
Socialist Czechoslovakia

Libor Žídek

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Introduction

Reality of the central planning in socialist Czechoslovakia

The weakness of the centrally planned economies in comparison to the market economies was proved by the collapse of the Soviet Bloc and the fall of the iron curtain at the end of the 1980s. By the 1970s, it was clear that the systems were inefficient, unstable, and significantly lagging behind the performance of the market economies. The arms race during Reagan's presidency just accelerated such development. In the book, we reveal microeconomic reasons for economic performance in socialist Czechoslovakia by presenting the results of our unique research that was based foremost on interviews with top managers from the 1970s and 1980s. We concentrate on the last two decades of the system mostly for practical reasons, namely ability to reach respondents. The main goal of the book is to give the readers an idea about everyday economic reality in the socialist totalitarian system. The authors continue in previous research into central planning, but the novel method of research interviews brings a new insight into the functioning and development of the system. The results generally break the common view that individual companies (at the bottom of the hierarchical pyramid) without hesitation followed the orders of the centre. The everyday reality was more complicated and foremost full of paradoxes, pretence, and negotiations. The practice was far remote from textbook theory dealing with central planning.

Our research approach was based on oral history methods – for example Vaněk, Mücke, and Pelikánová (2007), and Vaněk and Mücke (2015). In qualitative, semi-structured interviews conducted between 2015–2017, a total of 75 accounts were collected. Data analysis was carried out at the same time as they were collected (field research). Three different methods were used to contact potential respondents. Firstly, the successors of the original companies were contacted, but the discontinuity created by the economic transformation has led to the fact that today's companies have seldom contacts with its former managers. In order to achieve a satisfactory number of testimonies, we made use of personal contacts and partially also used the snowball method. In order to get an unbiased picture of the then practices, the interviews were focused on rather technical topics. The respondents stay anonymous to the readers. Each of them is assigned a unique identification number ID (e.g., <ID001> belongs to respondent number 1), which identifies him or her in the text.

2 Introduction

The respondents had held mostly important managerial posts in companies from diverse branches, such as mining, power industry, construction, engineering, transport, textile industry, agriculture, and food processing, as well as positions in the planning apparatus in the 1970s and the 1980s. All respondents had access to some (but various) level of the planning process in the given period and were familiar with day-to-day business operations of their companies. Appendix Table A contains the characteristics of the narrators. Ninety-one percent of them had higher education, and there were only two women among all the interviewed respondents. Apart from the two interviews done with a couple of respondents, the rest were done individually. All the narrators worked in different companies. The structure of the Czechoslovak economy was almost monopolistic with few large companies in all industries. Consequently, providing detailed information about the companies could jeopardize the anonymity of the respondents.

Most of the respondents had generally critical attitudes towards the socialist economy. They complained about omnipresent shortage and praised the functioning of the market economy. Some of them stated that they had to somehow muddle through and deal with the “rules” of the system. Many of them had a humorous approach and laughed at the nonsenses of the system. They were often very positive about interpersonal relationships at the workplace, when asked to summarize the pros and cons of the system. Only one of the respondents strongly defended the functioning of the system and considered the interview to be an attack on socialism. Some of the potential respondents changed their minds at the very last moment before the interview. Generally, the respondents pointed out the negative aspects of the functioning of the system, which in their view did not work and from present perspective they consider it amusing.

The oral history methods cannot be a substitute to quantitative research methods. They have natural limits because they cannot achieve “objective” results. They deal with people and their memories that could certainly be selective as well as the respondents might lie. Moreover, the respondents were, for natural reasons, mostly elderly people and we were not able to embrace the whole economy. In results, our sample of respondents was not and could not be overall representative and we do not aspire to generalize our results to represent the entire population. However, the team members during the interviews did their best to emphasize a neutral attitude towards the topic and allow the respondents to freely express themselves to achieve the most valuable outcomes for the readers. In the interpretation of the interviews, we considered the context and naturally the historical period.

However, we are well aware of the shortcomings of the oral history methods and thus these main methods were supplemented by research in archives (including archives of the former secret police StB and materials of the top bodies of the Communist Party), stenographic records from Parliament, quantitative research and foremost broad review of literature on the topic including memoirs (from the Czech sources we build on the theoretical works of Lubomír Mlčoch and Zdislav Šulc). It should be emphasized that the functioning of the socialistic

society and economy has fascinated several generations of researchers and there exists an indefinite number of sources on this topic. Thus, we did not and could not seek absolute complexity of our analyses and had to select the materials. However, we tried to provide the readers with vivid analyses of the everyday functioning of the centrally planned system in socialist Czechoslovakia by using a novelty approach. Throughout the text, we support our arguments with figures and tables. Furthermore, we illustrate some behavioural patterns in boxes, which are foremost short case studies.

The monograph is divided into six chapters. It proceeds from describing the environment in Czechoslovakia, via theory and formal model of the system of central planning to everyday reality of the planning and to conclusions. Chapter 1 is dedicated to the description of the socio-economic environment in the country. The general goal of this chapter is to provide readers with a picture of the functioning of the society. Without this general introduction, readers lacking personal experience with the totalitarian system would find the surreal reality of the centrally planned system difficult to understand. Chapter 2 shortly deals with economic applications of Marxism-Leninism that constituted ideological background of the overall system. We consider for example Marxian surplus-value and conceptual reasons for nationalization. The third chapter is interconnected with the previous one because the formal settings of the planning mechanism in Czechoslovakia were supposed to be based on the Marxist-Leninist ideas (Chapter 2). In this chapter, the reader will find, for example, an analysis of the formal models of corporate structures, different forms of plans or more specifically the role of the Státní plánovací komise (State Planning Commission). The first three chapters are preparatory for Chapter 4, which contains an analysis of the real functioning of the system in the selected period based primarily on the interviews from our research. This chapter is the core of our work. We show the contrast between theory and everyday practice of the centrally planned system from the inside. Our respondents told us about their everyday economic life in the planned system, among others about the setting of the plan or dealing with scarcity. The real functioning of the economic system resulted in economic outcomes that are summarized in Chapter 5. In the final Chapter 6, we show that the typical features of centrally planned systems foremost the overall inefficiency of the system were only logical and inevitable conclusions of the settings of the model.

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1 Formal and informal institutions of the socialist era

Lucie Coufalová¹

The general intention of this part is to show the main characteristics of the environment in which the companies in the centrally planned system in Czechoslovakia operated. We describe the main features that constituted this environment. The chapter deals with the settings of the institutions (broadly a description of the socio-economic environment) in the socialist era. In specific, we describe the political development including the role of the Communist Party (1.1). Next, we concentrate on some aspects of the legal system and functioning of the judiciary in the country (1.2). In the following section, paternalistic and repressive aspects of the state are analyzed (1.3) and the last section is dedicated to informal institutions – values in the society (1.4).

The socio-economic environment can be defined by institutions. We should distinguish between institutions that are understood as sets of rules (for example the legal system) and institutions in the form of organizations (for example the central bank or the planning commission). In this chapter, we pay attention only to the former. Economics treats institutions as “humanly devised constraints that shape human interaction” (North 1990, p. 3). Rules make a person’s and government’s behaviour more predictable and in effect reduce uncertainty. Institutions are therefore something one needs to consider in the decision-making process. For example, low property rights protection and high risk of expropriation make people not invest in their businesses and rather pursue other investment objectives. The effects on social life are analogical. If trusting behaviour increases the chances of being punished – for example because of being reported by a colleague or a neighbour – people tend to reduce their far-reaching social ties and isolate themselves in their families (Boenisch and Schneider 2013).

Institutions are often divided into two subgroups: Formal and informal. Formal institutions are generally codified by an authority – the state – they involve those specified and enforced by the government; for example, the legal system or courts of law. Informal institutions are not defined by the state or enforced by the government but they are built in the society in the way of thinking and acting. These involve customs, morals, level of corruption and respect to the law. Informal institutions evolve spontaneously, they are more stable and change only over long periods (generations). On the contrary, the legal system can be changed relatively quickly.²

The mutual interaction between formal and informal institutions is complicated. People tend to behave according to informal institutions regardless of the formal ones. Or to put it in another way – even top-quality formal laws will not convince people to behave accordingly if they do not intend to abide. For example, the Eighteenth Amendment to the US Constitution was legally perfect – it was a clear formal institution which prohibited production and sale of alcoholic beverages (valid between 1920 and 1933). However, it was also “a period of time in which even the average citizen broke the law” which made it the only case in the history of the USA when the Constitutional Amendment was repealed (Rosenberg 2017).

The specific impact of institutions on the economy is unclear but most economists believe that institutional environment is one of the key factors influencing a long-term ability to grow because institutional environment affects factor productivity or the long-term potential growth of the economy (see, e.g., North 1992). If there is, for example, low level of respect for the law, the costs of the functioning of the market subjects’ increase. This determines their profitability in the long run, and thus also investment and growth. Institutions are difficult to quantify or measure in general and therefore any attempt at measurement during the centrally planned economy (CPE) period was even more complicated. All in all, the state of both formal and informal institutions under socialist rule is generally seen as an obstacle for economic growth (see for example Tříška et al. 2002).

In the following text, we concentrate on the state and development of formal and informal institutions during the CPE period that affected functioning of the economy. They partly overlap, but we separate, among others, the political and legal systems, paternalistic state and behaviour of people (informal institutions) in this period.

1.1 Political system and development

The Czechoslovak political system after 1948 was totalitarian. We consider totalitarianism in accordance with Heywood as:

An all-encompassing system of political rule that is typically established by pervasive ideological manipulation and open terror and brutality. It differs from autocracy, authoritarianism and traditional dictatorship in that it seeks “total power” through the politicization of every aspect of social and personal existence. Totalitarianism thus implies the outright abolition of civil society: the abolition of “the private”.

(Heywood 2012, p. 207)

In Czechoslovakia, the basic concepts were authoritative governing, and enforcement of the pervasive communist ideology officially based on Marxism-Leninism.

Historically, the Communist Party was relatively strong already in pre-War Czechoslovakia. It gained around 10% of the votes in the interwar period and it was one of the strongest Communist parties in Europe at that time. This state was deepened by the political shift to the left that took place after World War II.

This phenomenon appeared not only in Czechoslovakia but in several other countries as well – for example in Italy and France.³ It was, among other reasons, caused by admiration and gratitude towards the Soviet Union (SU). There were three main reasons for this attitude – the fact that the SU avoided the suffering of the Great Depression in the 1930s (due to the economy’s disconnection from the world markets), admiration for winning the war and gratitude for liberation of Czechoslovakia. The consequence of this political shift was that the Czechoslovak Communist Party won the first election in 1946 and gained 114 out of 300 seats in parliament. The Communists had the highest support in the Bohemia part of Czechoslovakia (see Table 1.1) and especially in the borderlands with Austria and Germany from where the ethnic Germans were expelled.⁴ From the total of 156 electoral districts in Bohemia and Moravia, the Communist Party won in 137 of them, and in the borderlands it reached absolute majority in 43 districts (Čapka and Lunerová 2012).

Table 1.1 Results of the first post-war election to the Czechoslovak Parliament (Ústavodárné Národní shromáždění), May 26, 1946

	<i>Communist Party</i>
Bohemia	43.25%
Moravia	34.46%
Slovakia	30.48%
Czechoslovak Republic	40.17%

Source: Žaloudek (2004)

Political competition by democratic parties was at that time already restricted because all legal political parties were associated in the so-called National Front (Národní fronta) – a group of political parties with a monopoly on political power (see Box 1.1). Several political parties were not allowed to re-establish after World War II. Due to proportional settings of the electoral system in Czechoslovakia the Communists created a coalition government and they (and their allies) were able to control “power” ministries. The Ministry of the Interior as well as the Ministry of Information were held directly by the members of the Communist Party. The Ministry of National Defence was held by the war hero of the eastern front, general Ludvík Svoboda (in those days with no party affiliation), who only became a Communist Party member in 1948 and later on was elected president (1968–1975). This made it easier for the Communists to get the whole country under control following their coup in February 1948.

Box 1.1 The National Front

The National Front was established in April 1945 when the Czechoslovak government was created in the already liberated town of Košice in easternmost part of Slovakia. It consisted among others of the Communist

Party of Czechoslovakia and the Communist Party of Slovakia, the Czechoslovak People's Party (a form of a Christian-Democratic Party) and the Czechoslovak Social-Democratic Party. Several political parties were banned for alleged collaboration with the Germans – among others the Slovak People's Party and the Republican Party of Farmers and Peasants. The National Front was dominated by socialist parties foremost the Communists. Competition among political parties was thus limited. Later on (in the 1970s and the 1980s) the Front co-opted many other specific (and sometimes even obscure) organizations (e.g., the Czech Union of Beekeepers).

The political regime in the following years was extremely harsh. There were political processes, executions, and people were sentenced to long imprisonment in *de facto* concentration camps. The first emigration wave took place as well. This situation slightly relaxed only after Stalin's death in 1953. Klement Gottwald, the long-standing leader of the Czechoslovak Communist Party since 1929 and perpetrator of the February coup, died just 10 days after his Bolshevik mentor Stalin when he had returned from Stalin's funeral in Moscow.

The role of other authorized political parties during the whole period was only formal and their goal was to pretend political pluralism. In fact, their practical influence was minimal. In reality, the National Front was fully subordinated to the needs of the Communist Party and any competition among the political subjects was unthinkable. Political freedoms in Czechoslovakia did not exist. The regime tried to increase its legitimacy by extremely high voter turnout at parliamentary elections (see Table 1.2).

Table 1.2 Voter turnover in Czechoslovakia, 1954–1986 (in %)

	<i>Nov.</i> <i>1954</i>	<i>June</i> <i>1960</i>	<i>July</i> <i>1964</i>	<i>Nov.</i> <i>1971</i>	<i>Oct.</i> <i>1976</i>	<i>June</i> <i>1981</i>	<i>May</i> <i>1986</i>
National Front ballot	97.89	99.86	99.9	99.96	99.39	–	–
House of the People	–	–	–	–	–	99.81	99.97
House of the Nations	–	–	–	–	–	99.77	99.97

Source: Žaloudek (2004)

The voters were presented with a single list of the National Front pre-approved candidates – in reality, there was just one candidate on the list. It meant that the voters could just approve or disapprove the candidate of the National Front. At the same time, taking part in the election was compulsory, and the citizens had little chance to avoid voting should they want to express their dissatisfaction with the regime this way. It was difficult even to put blank ballots into ballot boxes because going behind the divider was considered as an expression of informal disapproval with the regime. Quite to the contrary,

manifestation voting was supported by the regime (see Box 1.2). Regardless of the non-existence of choice, the regime pretended that it held real elections.

Box 1.2 Practice of communist exercise of law

The communist legislation after the implementation of the Socialist Constitution of 1960 was formally very similar to the legislation of any democratic state. The Election Act No. 44/1971 Coll. stated that the elections were secret. Candidates could be nominated not only by the Communist Party, but also by “any other political party or social organization under the National Front,” there could be more candidates in each constituency. The reality was different. Even though the regime presented its election as the only true democracy in contrast to the “bourgeois” democracy that Lenin had described as “Restricted, truncated, false and hypocritical, a paradise for the rich and a snare and deception for the exploited, for the poor” (Lenin 1974, p. 243).

What was then the difference between Communist elections and elections in a democratic country? Firstly, the difference after 1960 was embedded in the Constitution, which proclaimed the leading role of the Communist Party. But secondly and foremost, the law was democratic in theory, but it was not observed by the regime in practice. The regime tried to pretend that everything worked as in a normal democratic society including election campaign. For example, the chronicle of the town of Letovice mentions the following:

Agitation centres of the National Front were created for the elections purposes; the town radio was broadcasting pre-election agitation on daily basis; shop windows were used for information of the successes of the local companies and about electoral districts. The radio was broadcasting interviews with the candidates. Music bands played in front of polling stations.

(Municipal Council of Letovice 1971)

But there was always just one candidate in every constituency, which meant that the voters merely confirmed the choice made by the National Front and they did not vote in reality. The elections were thus de facto a farce. Mr. Votoček, who was the mayor of the town of Olomouc said that he had intended to obtain an MP position in the federal parliament or at least in the Czech chamber together with the mayor position, to be able to defend interests of the town. However, he was told that the candidate and de facto the MP had to be a woman 35 years old or younger and a worker (Vaněk and Urbášek 2005).

The only option was not to elect or to cross out the nominated candidate. Such strategy was however very difficult to implement in practice

especially because the citizens were forced to vote in a manifestation way/openly. Voting decisions of the citizens were often written into their “cadre” dossier. Rudé Právo (a daily of the Communist Party) after the elections proudly declared that “all candidates of the National Front have been elected” (Rudé Právo 26th May 1986).

At the same time, there were economic consequences of the elections. One of the respondents in our research who worked in a managerial post in catering industry (<ID052>) said: “Jesus, it was the time before the elections, we had to make sure that bread was available for sale till the end of the opening hours, not to make people angry. I say, the state holidays, May Days, elections and this, they all were carefully watched, carefully watched.”

The leading role of the Communist Party in Czechoslovakia was codified in a new constitution approved in 1960. At the same time, the Communist Party officially declared that the society had reached the phase of socialism (see Box 1.3).

Box 1.3 The development of the politico-economical stages

In the view of the communist ideologists, there were several stages of the political-economic development to follow (as they believed) the inevitable fall of the capitalist society (see Chapter 2). The first stage was called people’s democracy, the second socialism and the third communism. These different stages were supposed to reflect a different level of development. The main characteristics can be expressed in the dominant slogans of the period. The slogan of the socialist period was “to each according to his/her contribution.” In communism, it was supposed to be “to everybody according to his/her needs.” Socialism was considered by its proponents to be a rationally governed society that stood against Hayek’s spontaneous orders (Hayek 1982) and was supposed to remove instability, waste, frustration, and unjust policies of the capitalist society (Bottomore 1990). Hába et al. wrote that “the characteristic feature of advanced socialism is complex and balanced development of all parts of the economy” (Hába et al. 1988, p. 100). But in socialism, scarcity was supposed to still exist and a strong state was required (Gregory and Stuart 2014). The lower stage (people’s democracy) in Czechoslovakia was formally proclaimed as completed in 1960, which was expressed by change of the official name of the country to the Czechoslovak Socialistic Republic. The regime believed that: “Socialism in our country has won!

We have entered a new era of our history and we are determined to move on to new, even higher goals. Instigating socialist construction, we are moving towards building a socialist society and gathering forces for the transition to communism” (Act No. 100/1960 Coll., Constitution of the Czechoslovak Socialist Republic). This formal change of the name was meant to underline the progress of the country on the way to the highest development stage – communism – that was planned to be reached in (near) future. Communism is characterized by the absence of markets and money, abundance and withdrawal of state control. Its condition was increase in workers’ productive capacity (Gregory and Stuart 2014).

The practical behaviour of the already socialist-proclaimed regime started gradually to change towards a slightly higher level of freedoms in the respective decade. This trend culminated in the short period known as the Prague Spring in 1968. At the beginning of the year, the Communist Party started internal party reconstruction and replaced its leadership. Censorship was abandoned, citizens were allowed to travel abroad and there were even attempts at founding/re-establishing of political parties. These liberation trends were abruptly ended on 21 August of the same year when armies of the “friendly” countries (meaning other socialist countries under the leadership of the SU) invaded Czechoslovakia. The Communist Party, under pressure by the SU, altered its policy and declared the previous changes and reforms as a counter-revolution. The invasion was in this respect presented as “fraternal-assistance.” The party leaders expressed gratitude to the “friendly” armies for saving socialism in Czechoslovakia. The nation, which was in majority shocked by the invasion and opposed it, was forced to accept these changes. The consequence was another wave of emigration and sharp decline in membership in the Communist Party (partially by exclusion and partially by walkout). The following period is labelled as “normalization” which is an euphemism for a period that was characterized by an effort to get rid of everything related to the previous reforms, reapplying of strict control of thinking, and economic centralization (Dillon and Wykoff 2002). The key political representatives of the Prague Spring were forced to withdraw under pressure of the hardliners. The new prominent politicians who were selected by Moscow to serve in the following decades were Gustáv Husák (Secretary General of the Communist Party 1969–1987; President 1975–1989) and Lubomír Štrougal (Federal Prime Minister 1970–1988). They were later replaced in the posts of Secretary General of the Party by Miloš Jakeš (1987–1989) and the post of Prime Minister by Ladislav Adamec (1988–1989) before the end of the communist reign.

One of the few lasting formal achievements of the reform period was establishing of a federation between the Czech and Slovak Socialist Republics at the beginning of 1969. The consequence was, among others, the creation of national

parliaments for each of the Republics – the Czech National Council (Česká národní rada – ČNR) and the Slovak National Council (Slovenská národní rada – SNR). The implication was that Czechoslovakia had three parliaments. In addition to the two national councils, the federal parliament (Federal Assembly) was composed of two chambers; the House of the People (Sněmovna Lidu – SL) and the House of the Nations (Sněmovna národů – SN). There were at the same time three governments – the federal, the Czech and the Slovak. By far, the most important role played the federal government (in the following text the term “government” refers to the federal government if not stated otherwise). However, all of them were in practice subordinated to the Communist Party structures. The everyday functioning of the parliament was described by our respondent, a long-serving MP <ID075>. He told us that all draft laws in the period 1986–1989 were adopted unchanged. All of them were proposals by the government, none by the “legislators.” The Parliament committees did not interfere with the proposals. The MPs were obliged to appear in the Federal Assembly to “contribute to discussion” about the law proposals applying experience from their district (for example MP – a milkmaid from a cooperative). However, most of the deputies did not (were not able to) write such papers. They were thus prepared by a special team of lawyers/committee experts and the MPs only read these papers in the Chamber. Whenever someone wrote it by themselves, they had to have the text approved in advance by this body. Because of the location of the Federal Assembly and the (insignificance) of its members, a joke circulated: What is the Federal Assembly? This is something between a museum and a theatre.

The election period in socialist Czechoslovakia was five years long. The parliaments were not overly active because parliamentary sessions took place quite rarely and the number of approved acts was relatively low (see Table 1.3).⁵

Table 1.3 Number of parliamentary sessions and number of discussed acts 1971–1989*

	<i>Federal Assembly</i>			<i>ČNR</i>	<i>Number of discussed acts</i>	
	<i>SL+SN</i>	<i>SL</i>	<i>SN</i>		<i>FS</i>	<i>ČNR</i>
1971–1976	23	5	6	22	43	27
1976–1981	21	5	5	19	25	12
1981–1986	21	5	5	20	83	29
1986–1989*	17	4	5	16	31	26

Source: ČSSR. Joint Czech and Slovak digital parliamentary library 1971–1989

*till November 17, 1989

The parliament was naturally fully under the control of the Communist Party. The average share of Communist MPs was more than 70% (see Figure 1.1). The MPs formally without any affiliation constituted the second biggest share in the parliaments. The role of the smaller political parties was negligible.

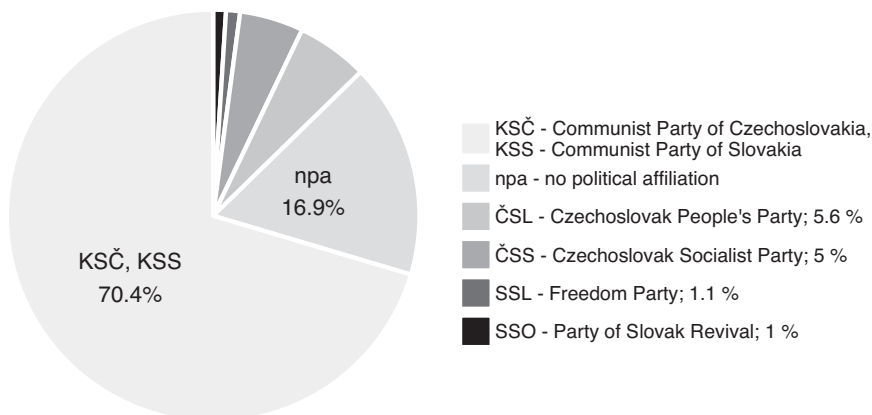


Figure 1.1 The average share of MPs political affiliation in the House of the People during the period of 1971–1986

Source: ČSSR, Joint Czech and Slovak digital parliamentary library (1971–1989)

Only a small portion of the population – dissidents – exercised active (non-violent) resistance against the regime and strived for the plurality of political options and freedom of expression. The prominent figure of the opposition in the 1970s and 1980s was playwright Václav Havel, whose anti-regime political activities resulted in his multiple imprisonments (five years in total). The dissidents grouped into several opposition organizations. Opposition strengthened after the Communist Party purges in the early 1970s when former leading communists, including the members of the party's Central Committee (e.g., Zdeněk Mlynář or František Kriegel), joined these movements. The most important of the dissident organizations was Charter 77, which was founded as a non-political group. The dissident movement became more active when Czechoslovakia signed the Helsinki Declaration of 1975. The Declaration among others guaranteed respect for human rights and fundamental freedoms, including the freedom of thought, conscience, religion, and belief. The dissident movement consequently pointed out that the Czechoslovak socialist government was breaking its own obligation by not granting these basic rights to its citizens.

Very strong tool for the regime against any opposition was a criminal offense about the subversion of the republic under Section 98 of the Criminal Code (Act No. 140/1961 Coll., Criminal code). Pursuant to this paragraph, one should be punished who, “from hostility to the socialist and state constitution of the republic, subverts its social and state establishment, its territorial integrity, its defence or autonomy, or its international interests.” This law was highly flexible. and was abused by the regime to punish dissidents as well as emigrants. An example of a practical application of this act could be the following:

For example, a man was sentenced for the subversion of the country for four years, claiming he was robbed by the regime, he defamed people in the border regions,

threatened progressively thinking citizens, and claimed that the system in the CSSR would not last. He expressed his vulgar views of the SU, its technology and culture, and boasted of having been a member of the German Army. The impetus of his hostile attitude was the fact that he was prevented from running a business. [The Appeal] Supreme Court ruled that alliance with the Soviet Union and irreconcilable fight against fascism and similar movements belong to the basic principles of the socialist state system.

(Černý 2008, p. 44)

The general political stalemate in Czechoslovakia lasted well into the second half of the 1980s when Gorbachev's Perestroika allowed liberalization of the political as well as economic environment in the CPEs. However, Czechoslovakia was a laggard in these aspects. Mainly because the very same people – hardliners – who were responsible for the suppression of the Prague Spring reforms were still in power. They were naturally unwilling to promote new reforms, similar to the ones of 1968, regardless of the fact that they had to formally follow the Soviet example.⁶ The overall practice was that the word “Perestroika” was used, but it did not have any specific meaning, as it was interpreted differently by different people. The economic reforms were in most cases planned for the period after 1990. Czechoslovakia was thus a laggard in liberalization in the 1980s. The other socialist countries, namely Hungary or Poland, progressed more towards freedoms. Adam writes that, for example, travelling restrictions in Czechoslovakia, as well as freedom of expression and research, were much stricter than in Poland or Hungary in this period (Adam 1995).

The socialist regime in Czechoslovakia collapsed in November 1989 after a long-lasting decay. It was surviving as one of the last socialist regimes in Central Europe. The collapse on its own was de facto a matter of several weeks and took place without violence. Due to this, it became known as the Velvet Revolution.

To sum up, contrary to other socialist countries, the overall political environment remained highly conservative until the end of the communist regime in the autumn of 1989.

1.1.1 The Communist Party of Czechoslovakia

The decisive political force in the country was naturally the Communist Party of Czechoslovakia. We consider its structures, membership and impact on the society on the following pages.

The highest authority of the Communist Party was the Congress. It took place every five years (in the research period in years 1971, 1976, 1981, and 1986) and lasted several days. It discussed and approved a report of the Central Committee of the Communist Party; it determined the line of the Party; discussed and solved the questions of the further development of the socialist society; vote for the Central Committee, etc. The program and discussion posts of the delegates, who arrived in the capital of Prague from all over the country, were approved or consulted in advance. The Congress was generally more of a “show” than a real work session or discussion about real problems.