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THE POLITICAL CONTEXT OF EU ACCESSION IN THE CZECH REPUBLIC

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Introduction

The Czech Republic is one of a number of politically stable and economically well-developed post-communist democracies in Central and Eastern Europe (CEE) likely to be admitted to the European Union in 2004. It has a stable party system with four to five established groupings. However, despite a strong pro-reform and pro-European consensus, elections in 1996, 1998 and most recently June 2002 have failed to produce stable majority governments. In July 2002, a coalition of the Czech Social Democratic Party (CSSD) and the liberal/Christian Democrat 'Coalition' grouping with a narrow majority took office (see Table 1), replacing the minority Social Democratic administration that had governed since 1998 with the agreement of the opposition centre-right Civic Democratic Party (ODS). The new government was welcomed by many observers as a majority administration with an unambiguously pro-European orientation. However, in September 2002 divisions in the small Freedom Union, a part of the 'Coalition' grouping, precipitated a government crisis,[1] underlining the new government's fragility and vulnerability to opposition from the Eurosceptic Civic Democrats and the newly resurgent hard-line Czech Communists.[2]

TABLE 1: PARLIAMENTARY ELECTIONS IN THE CZECH REPUBLIC IN 1998 AND 2002

Party	% of vote 2002	No. of seats /200 2002	% of vote 1998	No. of seats/200 1998
Civic Democratic Party (ODS)	24.47	58	27.74	63
Czech Social Democratic Party (CSSD)	**30.20**	**70**	**32.32**	**74**
Communist Party of Bohemia and Moravia (KSCM)	18.51	41	11.03	24
Coalition	**14.27**	**31**	**–**	**–**
Freedom Union (US)	-	(9)	8.60	19
Christian Democrats-Czechoslovak People's Party (KDU-CSL)	-	(22)	9.00	20

Electoral system: proportional representation based on large regional constituencies with 5% threshold for representation.
Votes and seats for the governing party (-ies) are in bold.

This paper seeks to relate the Czech Republic's progress towards European integration to both the current political situation and longer-term developments in Czech politics over the last decade. It begins by surveying Czech–EU relations since 1989; then examines the positions of the four main Czech political groupings on European integration and makes a brief assessment of Czech public opinion towards EU accession. It concludes by provisionally analysing the political prospects for the Czech referendum on EU accession, which is likely to take place in 2003, and for the longer-term implementation of the *acquis communautaire* after accession.

Relations between the Czech Republic and European Union since 1989

Closer integration with Western Europe, including membership of the European Union, has been a key priority for all governments in Czechoslovakia and, latterly, the Czech Republic since the fall of communism. However, the relationship between the EU and the Czech Republic has varied both with the political complexion of different governments and with the development of the enlargement process itself.

1990-92: From a 'Europe without blocs' to pragmatic cooperation with the EU

Before 1989 relations between Czechoslovakia's highly conservative communist regime and the then European Community (EC) were poorly developed. Diplomatic relations were only established in 1988 and although a trade agreement was signed in December 1988, it was less extensive than those signed by the EC with some other East European states. Czechoslovakia was, moreover, excluded from the PHARE technical assistance programme established in July 1989 for reforming regimes in Hungary and Poland. In the euphoria following the collapse of communism, Czechoslovak foreign and European policy, under Foreign Minister Jirí Dienstbier, initially flirted with a utopian vision of dismantling all existing European institutions and replacing them with a loose confederal structure. This reflected the notion of a 'Europe without blocs' developed by Dienstbier and other dissidents before 1989 as a strategy for reducing Soviet domination of Eastern Europe.

However, Czechoslovak policy quickly evolved into a more hard-headed strategy of establishing ties with the European Community with a view to eventual membership, which centred on securing an Association Agreement ('Europe Agreement') with the EC. A Trade and Cooperation Agreement between Czechoslovakia and the EC was concluded in March 1990 and Czechoslovakia was incorporated into the PHARE programme shortly afterwards. In late 1991 a Czechoslovak Europe Agreement was successfully concluded and signed at a joint ceremony with Hungary and Poland in December of that year. These Agreements established a more open and full trading relationship between CEE associate states and the EC, committed associate states to approximate domestic legislation to the *acquis communautaire*,[3] and established a political relationship of 'dialogue' between the EC and associated CEE states without making a specific commitment to accept them as members of the Community.

In this period Czechoslovakia's foreign and European policy was closely coordinated with those of Hungary and Poland, with which it formed the so-called Visegrad Group.[4] Czechoslovakia also gave a high priority to improving relations with Germany, which had historically been problematic and remained difficult

into the 1970s and 1980s, largely because of unresolved issues surrounding the expulsion under the 'Benes Decrees' of Czechoslovakia's 2.5 million–strong ethnic German population (Sudeten Germans) after the Second World War. In 1990 Czechoslovakia's new President, the dissident playwright Václav Havel, made his first official foreign visit to Germany and later sought to promote Czech–German reconciliation by taking the unpopular step of publicly apologizing for the brutal treatment of the country's Sudeten German minority by the Czechs in 1945–6.[5]

1992–96: The Klaus government – from misplaced self-confidence to belated realism

The June 1992 elections in Czechoslovakia produced diametrically opposite results in the two national republics making up the country, bringing to power the centre-right, free-market Civic Democratic Party (ODS) of Czechoslovak Finance Minister Václav Klaus in the Czech Lands and the left-wing, nationalist Movement for a Democratic Slovakia (HZDS) in Slovakia. This marked an end to attempts to find a new federal structure for Czechoslovakia and led to its division into two new independent states, the Czech Republic and the Slovak Republic, on 1 January 1993. The break-up of Czechoslovakia invalidated the Europe Agreement signed in 1991, which never fully entered into force, and necessitated the negotiation of new Agreements by each state.[6]

The centre-right coalition government, which took office in the Czech Republic under the leadership of Civic Democratic Party leader Václav Klaus, retained the commitment of its Czechoslovak predecessor to rapid integration with Western Europe and eventual membership of the EU and NATO. It quickly negotiated a Europe Agreement for the Czech Republic, which was signed on 4 October 1993 and took effect on 1 January 1995. In other respects, however, its approach to European integration was very different. Having dispensed with the less reform-minded and geographically (and supposedly culturally) less Westernized Slovaks, the new Czech government believed its radical reform policies – widely believed at the time to have successfully combined rapid marketization, high growth and low social costs – would mark the Czech Republic out as an early candidate for admission to the EU.[7] This belief rested on the assumption that EU enlargement would be an essentially 'political' process reflecting Western geopolitical considerations, rather than strict criteria for membership, and would take place on a piecemeal basis, with negotiations with 'advanced' states going ahead first. Accordingly, the Klaus government gave priority to integrating the Czech Republic into the global economy through membership of international bodies such as the Organization for Economic Cooperation and Development (OECD) and the General Agreement on Tariffs and Trade (GATT), rather than developing a concrete strategy for managing accession.

It also delayed the Czech Republic's formal application for EU membership until 23 January 1996, making it the last but one CEE applicant state to apply. The Klaus government largely abandoned the coordination of European policy with Visegrad neighbours, viewing the Visegrad Group as an artificial West European-inspired creation intended to delay rather than facilitate enlargement, which was liable to hold back the more advanced Czech Republic's prospects for membership. The government downgraded the importance of improving relations with Germany, seeking to assert Czech interests within a framework of mutual accommodation. This was most clearly illustrated in negotiations over the so-called Czech–German Declaration, signed in December 1997, which attempted, with some difficulty, to reach an agreed position on the divisive and emotive events of the Second World War and its immediate aftermath. At this time, Prime Minister Klaus also took up a high-profile Eurosceptic stance similar to that of the British Conservatives, criticizing the EU as over-regulated and inefficient (see below), and thereby irritating many EU policy-makers.

By 1995–6, the Czech government appeared to have realized that its assessment of both the enlargement process and the strength of the Czech Republic's position within it were over-optimistic. The EU's December 1995 Madrid Summit, which set an approximate date for accession negotiations to begin and requested that the European Commission prepare a formal Opinion (*avis*) on each applicant state's readiness for membership, also made it clear that the EU intended to deal with all CEE applicants within a single framework. Moreover, in June 1995 a White Paper on the Single Market strongly suggested that the accession process would be based on the fulfilment of detailed legislative, administrative and economic criteria reflecting the *acquis*, rather than ad hoc assessment of the broad Copenhagen criteria. Finally, it became clear that the Czech Republic's location and small size gave it considerably less geopolitical leverage than larger, more strategically located states such as, for example, Poland.

The Klaus government, therefore, adopted a less abrasive approach in its dealings with the EU. This was evident, for example, in the conciliatory tone adopted in the Memorandum that accompanied the Czech Republic's application for membership. It also started to establish structures to manage European integration, principally the Government Committee for European Integration and its associated working groups.

1997–2002: Pre-Accession: a Social Democratic affair?

By the mid-1990s it had become clear that, rather than creating a post-communist economic miracle, the economic strategy followed by the Klaus government had created an under-regulated, under-capitalized and inefficient private sector dominated by politically connected insider groups. Many analysts trace these problems to the coupon method of mass privatization used in the Czech Republic, the Klaus government's neglect of regulatory frameworks and preference for Czech over foreign ownership, and the role of state-owned banks in subsidizing uneconomic enterprises without exerting pressure for restructuring.[9] Increasingly evident economic problems, including rising unemployment and the devaluation of the previously stable Czech currency in spring 1997, undermined the notion of the Czech Republic as a leader in post-communist reform and further eroded the credibility of the Klaus government's policies on European integration. In the June 1996 elections, the centre-right coalition narrowly failed to retain its parliamentary majority and was forced to continue as a minority administration 'tolerated' by the opposition Social Democrats. In November 1997, the Klaus government finally and dramatically collapsed over party financing scandals in the ODS and its smaller partner, the Civic Democratic Alliance (ODA). A caretaker government of non-political technocrats and ministers from the two junior coalition parties, headed by Josef Tosovsky, the Governor of the Czech National Bank, then took office while special legislation enabling early elections to take place was passed.

The Czech political crisis coincided with the EU's decision at its December 1997 European Council meeting in Luxembourg to open formal accession negotiations with the six best-prepared candidate states identified in the Commission's Opinions of July 1997. The Czech Republic was included in this group along with Hungary, Poland, Slovenia, Estonia and Cyprus. Negotiations would proceed on the basis of a strategy for enlargement set out in the accompanying Agenda 2000 report. The Tosovsky government thus represented the Czech Republic at the bilateral Czech–EU conference of 30 March 1998 which established an Accession Partnership as a new framework for Czech–EU relations and further Czech adoption of the *acquis*, and accession negotiations formally began on 31 March.

In the elections of June 1998 the Czech Social Democrats (CSSD) emerged for the first time as the largest party. Owing to the failure of the far right to re-enter parliament, the outgoing centre-right coalition parties regained a theoretical parliamentary majority of four. However, such were the political and personal tensions between them that ODS leader Václav Klaus opted to support a minority Social Democratic administration under Milos Zeman on the basis of a written pact (the 'Opposition Agreement'). This pact was intended to maintain political stability and introduce the constitutional changes that both parties deemed necessary. This arrangement, with certain modifications, lasted until the next scheduled elections in June 2002, which were also won by the Social Democrats under a new leader, Vladimir Spidla, the current Prime Minister. Spidla has abandoned cooperation with the ODS to work with the 'Coalition' alliance, which is the junior partner in the current government. The bulk of the Czech Republic's accession negotiations since 1998 have, therefore, been conducted by the Social Democrats.

The 1998–2002 CSSD government also largely failed to achieve promised improvements in public services and presided over a rapidly increasing budget deficit. Nevertheless, it is widely considered to have tackled adoption of the *acquis* and accession negotiations more energetically and effectively than its centre-right predecessor. Despite lacking a parliamentary majority, it successfully passed legislation relevant to the *acquis*, including major reforms such as the creation of regional authorities and an ombudsman, and privatized most state-owned banks. As of July 2002, the Czech Republic had closed 25 of the 30 chapters of the accession negotiations, slightly fewer than for other CEE accession states. As is the case for all CEE candidates, the difficult chapters of agriculture and budgetary provisions have not been closed. The provisional closure for chapters on transport and institutions suggested by the EU has not been accepted by the Czech Republic; this may reflect domestic political pressures (see below).

Czech party positions on European integration

The Czech debate on European integration, and Czech political parties' positions on the issue, have passed through a number of phases since 1989: in the early 1990s closer integration with Western Europe was welcomed enthusiastically by all parties other than the Communists, without detailed debate of the Czech–EU relationship. What debate did exist was largely driven by the interest of individual politicians such as Václav Klaus. From the mid-1990s, after the EU committed itself in general terms to enlargement into CEE, Czech parties started to adopt general positions on the models of European integration and the Czech Republic's role within them. Since the launch of the formal accession process in 1998, parties have adopted clearer detailed positions, addressing the current and future direction of the EU in terms of specific aspects of the *acquis* and offering detailed pre- and post-accession strategies for the Czech Republic. Most parties have also produced specific programmes dealing with European integration and EU accession.

Since 1997 Czech accession to the EU has also gained in prominence as a political issue in the Czech media and featured for the first time as a significant election issue in the 2002. Most Czech debates on European integration have taken place in terms of the general or national interest, with relatively little attention being paid to specific groups such as, for example, farmers who do not have the same social or demographic importance as in some CEE candidate states. It is, however, also characteristic that Czech debates, with the exception of President Havel's more wide-ranging reflections, largely ignore wider enlargement beyond the Visegrad states.

The following section surveys the current positions on the EU, and on Czech accession to the EU, held by the four key groupings in Czech politics: the opposition Civic Democratic Party (ODS), whose strongly Eurosceptic views have driven the Czech debate on European integration; the governing Czech Social Democratic Party (CSSD); its partners in government in the Coalition grouping; and the Communist Party of Bohemia and Moravia, which has substantial electoral support and, despite continued political isolation, is growing in influence.

The Civic Democratic Party

The ODS is the principal party of the centre-right in the Czech Republic and was formed in early 1991 on the basis of the free-market, anti-communist right wing of the broad Civic Forum movement that oversaw Czechoslovakia's transition to democracy in 1989-90. The ODS is closely identified with its charismatic founder, the former Czechoslovak Finance Minister (1990–92) and later Czech Prime Minister Václav Klaus, who has always been the party's leader. In the early to mid-1990s the ODS was the dominant force in Czech politics and the linchpin of the 1992–7 centre-right coalition governments that implemented many key policies of the post-communist transformation. However, its electoral support has declined steadily from a peak of 32 per cent in 1992 to the 25 per cent it received in 2002. The party has a strong centralized national organization and, notwithstanding the recent decline in its electoral fortunes and loss of office nationally, plays a key role in governing large municipalities and regional authorities.

The ODS has consistently supported Czech accession to the EU as the key priority for Czech foreign policy. However from the early 1990s Václav Klaus developed a high-profile 'Thatcherite' Eurosceptic position, arguing that the EU was too bureaucratic and too economically interventionist as a result of its origins in postwar West European social and Christian democracy.[10] With the signing of the Maastricht Treaty in 1992, the EU, he believed, departed from its original economic goals in favour of unrealistic political ambitions to create a federal European superstate rivalling the United States.

The euro, Klaus argued, lacked an objective economic basis, as the diverse economies of Europe did not constitute an optimal currency zone. Moreover, a politically integrated EU 'state' based on a common currency would, he believed, be unworkable because of the absence of a strong common European identity, which would be politically essential to underpin necessary redistribution between poorer and richer regions. The national state should, he believed, be the sole building block of European integration, as both a 'natural' product of human development and a guarantee of democratic accountability. In pushing ahead with political integration and limiting national sovereignty, the EU was, he claimed, ignoring the historical sensitivities of CEE candidate states, which had always been historically dominated by supranational structures imposed by more powerful neighbours. More significantly, he suggested, the wholesale transfer to CEE of West European political and economic structures – and in particular the abolition of national currencies – could lock CEE into a cycle of backwardness, by preventing its countries from adjusting economic policies to suit local needs, for instance, by competitive devaluation.

After losing office in 1997, the ODS developed a more strident Euroscepticism, making detailed criticisms of EU institutions and the *acquis*. The party's views were most fully developed in the ODS's 2001 Manifesto of Czech Eurorealism, largely drafted by its Foreign Affairs spokesman, Jan Zahradil,[11] and also feature prominently in more abbreviated form in its 2002 election programme.[12] The ODS depicts European integration as a maelstrom of conflicting interests, in which existing member states and powerful interest groups in Western Europe have no strong interest in extending membership to CEE candidate states. In the ODS view, this suggests that enlargement will be delayed until approximately 2010, either directly or through the granting of a 'second–rate membership' characterized by significant transitional restrictions on, for example, the rights of CEE citizens to work in other EU states. Given these pressures, the ODS has suggested, the key focus of Czech accession strategy should be on the quality and conditions, rather than the rapidity of Czech entry to the EU.[13] For these reasons, and because it fears that the Czech Republic might be marginalized in an expanded EU or have vital national interests overruled,[14] the ODS contemplated scenarios for Czech non-membership of the EU in its Manifesto of Czech Eurorealism. These centred either on participating only in the Single Market through membership of the European Free Trade Association (EFTA) and European Economic Area (EEA) on the Norwegian model, or through bilateral treaties with the EU on the Swiss model. The Manifesto also advocated closer Czech links

with the North American Free Trade Area (NAFTA). During the 2002 election campaign, ODS further emphasized its determination, if necessary, to put 'national interests' ahead of EU accession. Following the re-emergence of the Benes Decrees as a political issue in early 2002, Václav Klaus made it clear that his party would not support EU entry unless the Union guaranteed the status of the Decrees after Czech accession.[15]

ODS is highly critical of many of the policies and institutions that make up the current *acquis*, which it sees as imposing inappropriate and over-exacting standards on CEE applicant states that are likely to undermine their long-term competitiveness and prosperity. It is firmly opposed to any further erosion of national sovereignty, any enhancement of the powers of the European Parliament or the European Commission and any extension of the system of qualified majority voting (QMV) among national governments, considering that current levels of political integration should be frozen. It is sceptical about the euro, whose introduction it thinks should be subject to a specific referendum, and anticipates that 'if the circumstances require, [we may] keep the tools of monetary policy in our own hands'.[16] The ODS opposes the development of a European defence capacity as unnecessary, impractical and undermining of NATO.[17] It is highly critical of EU regional, structural and labour policies, which it sees as restricting the free market, and its agriculture spokesman has gone so far as to suggest that in an enlarged EU the Common Agricultural Policy should be replaced by a low-subsidy free-market regime. The party also rejects (transitional) restrictions on the sale of land to non-Czech nationals, advocated by other parties, as unnecessary and anti-competitive.[18]

Both Václav Klaus and other ODS leaders have welcomed the positive effect that EU accession may have in spurring much–needed reform of the Czech system of justice. However, Klaus has also developed criticisms of the legal and administrative dimensions of the *acquis*. In lectures given at Charles University in Prague in 1997 and 1999, he argued that post-communist societies had special needs with regard to their legal systems and that wholesale importation of foreign legal models might have such high 'transaction costs' as to cancel out any possible benefits. In the context of European integration, he argued, Czechs should bear in mind that the *acquis* was varied in practice across member states, and should seek to shape it to Czech requirements.[19]

Klaus has also criticized the EU's emphasis on civil service reform. In his view, the European Commission, like all bureaucracies, is seeking to expand its influence by creating subordinate national bureaucracies based on values of hierarchy, seniority and status, which will hold back the development of a broader enterprise culture. Moreover, given the inevitable gulf between public- and private-sector salaries arising because most officials were trained during the communist era, he felt it was unrealistic to expect rapid improvement in the human resources of the state in a transition economy.[20] Overall, therefore, he concluded, problems in public administration and the administration of justice could best be addressed by cutting excessive regulatory and legislative burdens, rather than by attempting to tackle areas such as professionalism and resourcing.

The Czech Social Democratic Party (CSSD)

Unlike many social democratic parties in CEE, the CSSD is not a reformed Communist Party, but a revived 'historic' party. Founded more than a century ago, the party continued in exile in Western Europe after being effectively banned by the communist regime in 1948. After 1989 it was initially a marginal political force, under the leadership of elderly political exiles, but it gradually drew in both electoral support and political leaders from a number of short-lived left-wing parties and movements. The party thus includes a diverse range of opinion and politicians, including former reform communists, centrist social liberals, regionalists and ecologists. In 1996, under the leadership of Milos Zeman, the party made a significant electoral breakthrough polling 26 per cent to become the main opposition party, and in 1998 it outpolled Klaus's ODS and established itself as a party of government, receiving 32 per cent support. Following Zeman's decision to retire from politics, the party benefited from the election as its leader of the more consensual and managerial Vladimír Spidla, who successfully distanced the party from the unpopular Opposition Agreement arrangement with Klaus's ODS.

Despite many changes in internal composition and strategy since 1989, CSSD has taken a consistently positive view of European integration, which it sees as reflecting the efforts and values of European social democratic parties. Unlike more controversial issues, such as Czech–German relations or NATO membership, enthusiastic endorsement of Czech integration into the current EU has enjoyed almost universal support within the party. CSSD's current position on European integration dates from the reformulation of its programme after 1995–6, and is visible in its 1996 and 1998 election programmes.[21] Although the party did not produce an extensive election programme in 2002 and did not make the EU a prominent issue in its campaign, in December 2001 its Central Committee, in cooperation with the Czech Foreign Ministry, produced a Euro-manifesto setting out its position.[22]

CSSD firmly rejects all aspects of the Euroscepticism of the ODS, arguing that its concept of national interest is narrow and contradicts the real national interest of the

Czech Republic by slowing and undermining accession to the EU, to which there is no meaningful alternative. The Social Democrats view the EU as a means of reconciling conflicting national interests, overcoming the historical marginalization of small states such as the Czech Republic within Europe and protecting them against the political and economic threats of globalization. The CSSD thus endorses the current political and economic direction of the EU, anticipating and advocating 'the deepening of economic and political integration through a gradual strengthening of democracy and federative elements' by strengthening the role of both the European Parliament and the European Commission.[23] It believes that EU decision-making should, as much as possible, take place through European institutions, rather than through unwieldy negotiations and voting among national governments in the European Council.

The Social Democrats support almost all aspects of the current *acquis*, including Economic and Monetary Union and EU regional, social and environmental policies. The party views even the more controversial Common Agricultural Policy, which has arguably subsidized EU producers to the detriment of Czech agriculture, as an effective means of protecting the interests of European farmers in the global economy and providing cheap food. This is close to the CSSD's own approach to agricultural markets.[24] Although the party's available documents do not go into great detail in discussing the legal and administrative aspects of the *acquis*, the Euro-manifesto does note that 'the adoption of the principles of the European Communities will lead to a reinforcement of the efficiency and professionalization of the civil service'.[25] This is an area to which the CSSD, in office, has devoted considerable legislative and political attention, in keeping with its broader stress on the importance of the public sector, most notably in its (as yet unsuccessful) efforts to pass a new law regulating the civil service.

The CSSD views EU membership as overwhelmingly advantageous to the Czech Republic in increasing the country's political voice and geopolitical security and providing a long-term framework for its economic development, which will enable it to maintain its national identity. However, the CSSD is far from uncritical of the EU's insistence that candidate states rapidly adopt the full *acquis* and of the *de facto* extension of the *acquis* beyond what exists in current member states.[26] However, it has clear concerns about the balance of short-term costs and benefits. The Euro-manifesto notes that after accession Czechs will not only encounter unaccustomed restrictions on their national sovereignty, but could also face negative economic consequences in the form of price rises for certain goods and intensified economic competition, which may lead to unemployment rising temporarily in some industries and regions.

An additional relevant factor noted by some observers is the division within the CSSD over the scope and nature of industrial policy. Some Social Democrats, such as former Industry Minister Miroslav Grégr, sought to pursue a strongly interventionist policy, using the state to create large monopolistic industrial conglomerates backed by extensive subsidy, while others such as former Finance Minister Pavel Mertlík have advocated more market-led approaches. The former strategy tends to conflict with the competition provisions of the Single Market. Although debates on the subject appear to have been settled very firmly in favour of prioritizing the demands of EU accession, the political inclinations of many traditional Social Democrats regarding social and economic policy could provide the basis for an implicit or explicit policy of non-compliance with the *acquis.*

Although the CSSD seems certain of the political will of current EU member governments to take in CEE states, believing that 'no relevant European political forces' have doubts about the process,[27] it is clearly concerned about the possible impact of EU accession on its own, often relatively economically disadvantaged, domestic electorate. The party therefore stresses that in accession negotiations it is firmly defending Czech national interests to avoid what the Euro-manifesto terms 'undesirable tensions and problems in Czech society' by securing acceptable transitional arrangements and financial aid in sensitive areas. On a recent working visit to Denmark, which currently holds the rotating EU Presidency, Prime Minister Spidla emphasized that if Czechs felt they were not being treated on equal terms with current members, a negative referendum result might be a possibility. Czech government policy was therefore to work for early accession but not, as he put it, 'at any price'.[28] Overall, therefore, CSSD strategy towards Czech EU accession appears to be to balance conflicting factors, such as the rapidity and quality of accession; the interests of specific groups in Czech society and the overall national interest; and the short-term (negative) social and political consequences of accession and its anticipated long-term benefits.

The 'Coalition' grouping

The 'Coalition' grouping, originally formed as an alliance of four parties in July 1998, now comprises two political components: the Czechoslovak People's Party-Christian Democratic Union (KDU-CSL) and the Freedom Union (US). The KDU-CSL is one of the oldest and best-established parties in the Czech Lands, with roots going back to the Christian social movements of the late nineteenth century. Before 1989 it functioned as one of a number of 'satellite' parties permitted to exist in vestigial form by the communist regime to provide a

façade of pluralism. In 1990s it attracted 8–9 per cent support but, despite broadening its electoral base away from its rural Catholic stronghold regions of South Moravia and East Bohemia, it failed to make the political breakthrough its leaders hoped for. The party has, particularly in its traditional heartlands, a large organizational network and is strongly represented at all levels of local government. It was a junior partner in the 1992–7 centre-right coalition governments led by Václav Klaus. As part of the Coalition since July 2002 the KDU-CSL has been in coalition with the Social Democrats; its leader, Cyril Svoboda, took over the key Foreign Affairs portfolio, overseeing European integration, from the Social Democrat Jan Kavan.

The Freedom Union, by contrast, is the Czech Republic's newest parliamentary political party. It was established in 1998 as a breakaway from Klaus's ODS by a number of leading figures critical of Klaus's handling of the financing scandal in the party and his failure realistically to assess his record in office. The Freedom Union is a liberal, free-market party, stressing the need for decentralization and the reform of public administration. In contrast to the Christian Democrats, it has a small membership and little organization outside major towns and cities. In 1998 it polled 8.6 per cent. The performance of the Coalition in the 2002 elections was disappointing after its strong result in elections to the Czech Senate; Coalition parties currently hold 39 of the 81 seats in the Czech Senate.

Despite their different origins, the two parties – both individually and in the joint Coalition grouping – have arguably been the most consistently Europhile forces in Czech politics. For the Christian Democrats, this reflects the more general sympathy of Christian Democratic parties for supranational cooperation and the European social model, which fit well with the Catholic principles on which they were founded. The Czech Christian Democrats' close ties with sister parties in Germany and Austria reinforce this position. For the Freedom Union, its Europhile stance represents a necessary break with the Euroscepticism of ODS, which, its leaders argue, obstructed economic and political reform.

The Coalition favours the most rapid possible accession by the Czech Republic to the EU and is strongly supportive of current EU integration processes, including political integration. In its 2002 election programme, it argued that rapid accession was a vital Czech national interest, both because of the clear economic and political benefits that EU membership would bring and because the balance of EU opinion was shifting against enlargement.[29] The Coalition stresses that EU membership is not simply dictated by economic and geopolitical constraints but is, rather, a positive choice that Czechs have made, which will reinforce and accelerate post-communist reform.[30] This is particularly emphasized by the Freedom Union, which has produced its own more detailed materials on European integration.[31]

The Coalition parties advocate the gradual development of a federal political structure for the EU, based on a European Constitution and the transformation of the European Commission into a European government accountable to a European Parliament. It stresses, however, that the principle of subsidiarity should be observed to prevent the unnecessary erosion of the powers of national states. Some individual Coalition representatives have also advocated the creation of a directly-elected European presidency.[32] The Coalition accepts all aspects of the current *acquis*, including the euro (which it wishes the Czech Republic to adopt as soon as possible); the Schengen agreement; European social and regional policy; and the Common Foreign and Security Policy (which it wishes to see extended) plans to develop an EU defence capacity, which it sees as complementing Czech NATO membership and rebalancing the alliance around both European and American poles.[33] It has, however, expressed reservations about the Common Agricultural Policy, which it wishes to see reformed to stabilize rural communities and promote ecological farming rather than supporting production *per se*.[34]

The Coalition has also demonstrated considerable awareness of the legal and administrative dimension of the *acquis* and its implementation. In 1999 it produced its own Report on the State of Czech Preparations for EU Accession, which analysed the record of the then minority Social Democratic government in adopting the *acquis*.[35] The main thrust of the report was to signal the Coalition's commitment to European integration and highlight the (alleged) political and administrative incompetence of the government. The Coalition's 2002 election programme also suggests that any tutelage exercised by European bureaucracies after EU accession will help modernize Czech public administration and make it more efficient and accountable.

The Communist Party of Bohemia and Moravia (KSCM)

Unlike many other former ruling communist parties in CEE, the Communist Party of Bohemia and Moravia (KSCM), formed in March 1990 from the Czech organizations of the Communist Party of Czechoslovakia, has transformed not itself into a social democratic party, but into a hard-left communist party comparable with small orthodox communist parties in countries such as France, Italy, Portugal and Greece. Although the party has, both in principle and in practice, accepted multi-party democracy and the idea of a market economy, it is committed to radical left-wing policies and seeks to create an economy with a dominant public sector and substantial state control.

The party has retained a mass membership of approximately 150,000, most of whom are elderly, and has a strong presence at regional and local level. For much of the 1990s the party polled between 10 and 14 per cent of the national vote. However, in 2002 it significantly increased its vote to 18.5 per cent, benefiting from both a low turnout and disillusionment among some Social Democratic voters. During the 1990s the KSCM was regarded as a political pariah by all the other Czech parties, as well as by President Havel, because of its failure to unambiguously condemn communist one-party rule before 1989. It was therefore excluded from coalition discussions at national, regional and – with the exception of small towns and villages – local level. More recently, however, it has gained greater acceptability and influence, obtaining the chairmanship of a number of parliamentary committees and a deputy speakership. Moreover, a number of leading Social Democrats, including Prime Minister Vladimir Spidla and Deputy Prime Minister Pavel Rychetsky, have suggested that, if the current coalition lost its parliamentary majority, they would, in certain circumstances, consider accepting the tacit support of the KSCM.[36]

Given its self-identification as a radical, anti-capitalist, anti-system alternative, it is not surprising that the KSCM is critical of current European integration. However, though vehemently hostile to Czech NATO membership,[37] the party's position on the EU is surprisingly vague and ambiguous. The KSCM has not favoured entering the EU in its existing form, which it views as dominated by the interests of business and larger states (especially Germany). However, despite relentlessly negative coverage of the EU in its publications, the party's official position has for some time been to criticize attempts to join the Union as 'hurried', 'premature' and economically disadvantageous to the Czech Republic, rather than ruling out EU membership altogether. It is, therefore, officially reserving its decision for or against entry until the referendum campaign.

Although it generally produces detailed policy, the party seems not to have published any substantial materials on European integration since approximately 1997. Its 2002 election programme largely ignored issues of European integration, concentrating instead on demand for increased social spending and the expansion of public services.[38] However, it is clear that, despite fears over the position of the Czech Republic as a small state within an enlarged EU, the KSCM has no objection in principle to European integration and views the decline of national sovereignty as to some extent inevitable.[39] The KSCM wishes to democratize the EU by strengthening the powers of the European Parliament, but it is opposed to the development of any strong central authority and wishes to reduce the powers of the European Commission. The party appears critical of many aspects of the *acquis* and in particular of its possible extension. It opposes steps towards tax harmonization and a European defence capability, and wishes to postpone Czech adoption of the euro. The KSCM is also concerned with the effect of the Single Market on prices and wages, employment and the position of Czech industrial and agricultural producers, as well as the possibility of a 'brain drain' from the country. It therefore seeks unspecified 'protection' and 'guarantees' to protect Czech interests, logically implying substantial (transitional) exemptions from the *acquis*.[40] Certain aspects of the *acquis* are, however, viewed positively. A KSCM Central Committee strategy document on a possible accession referendum recommends 'acceptance of EU demands concerning reform of public administration, labour protection, the judiciary and the struggle with economic criminality and corruption'.[41] Although the party complains that farmers in candidate states receive lower levels of subsidy than their counterparts in existing member states under proposed transitional arrangements, in fact, the highly subsidized model of agriculture favoured by the KSCM is not dissimilar in conception from the existing the Common Agricultural Policy.

Communist ambiguity towards EU accession reflects a number of factors. First, despite the obvious ideological distance between KSCM policy and existing EU practice, much of the 'social' and regulatory aspects of the *acquis* are acceptable, and even attractive to the party. Secondly, party leaders are aware that, given the balance of political forces and public opinion in the Czech Republic and the country's geopolitical position since 1989, they are unlikely to be able to prevent Czech accession to the EU. Indeed, paradoxically, the Communists may even gain politically from it. Links with other communist and left-wing parties in the European Parliament and the greater willingness of EU actors and institutions to deal with KSCM as a 'normal' party could contribute to its efforts to break out of its political isolation domestically. The party is additionally politically well represented in a number of Czech regional authorities that will benefit from EU structural funds, which could offer it a springboard for greater national influence. Finally, the question of EU membership has already become an issue that publicly divides conservatives and pragmatists within the party, providing a further incentive for the Communists to downplay the issue.[42]

Czech public opinion

Surveys of Czech public opinion have consistently recorded clear majorities in favour of entry to the EU. Support for entry has declined marginally in recent years

and current polling suggests that 40–50 per cent of the Czech electorate favour entry and 20–25 per cent are opposed, with the remainder undecided or not intending to participate in a referendum on accession. This suggests that 60–70 per cent of those voting in a referendum would favour EU entry.[43]

These levels of support for EU entry are lower than the average for candidate states. Excluding the traditionally Eurosceptic Baltic states, therefore, the Czech Republic is one of the candidate states with the weakest support for EU entry and with the highest levels of opposition. The Czech Republic also has a relatively large percentage of undecided voters. To some extent, this follows the general trend where support for accession is weaker in states closest to accession to the Union and higher in states, such as Bulgaria, Romania or Turkey, where it remains a distant prospect.[44] However, it also reflects specifically Czech factors. First, throughout the 1990s parties hostile to integration with Western Europe, on both the radical left (the Communists) and the radical right (the Republican Party, represented in parliament between 1992 and 1998), were able to mobilize a significant anti-reform electorate, which now seems to form the core of anti-EU sentiment. Secondly, although there seems little overt support for the ODS's anti-integrationist, quality-before-speed-of-accession position among more mainstream Czech voters,[45] its coherent and well-established centre-right Eurosceptic discourse may have had some impact on public opinion, without altering voters' fundamental preferences regarding the EU. A final country-specific factor may be a tradition of popular scepticism and indifference towards momentous, historic change. This is said by some observers to be characteristic of Czech political culture, and is variously described as 'provincialism', a 'Little Czech' mentality or 'Svejkism'.[46]

As elsewhere in CEE, support for entry into the EU and trust in its institutions in the Czech Republic is higher among younger, more educated, urban voters and those employed in the private sector, and lower among older, less educated voters and residents of small towns in rural areas.[47] In political terms, this is reflected in the fact that voters supporting centre-right free market parties such as Klaus's Civic Democrats and the Freedom Union overwhelmingly support accession to the EU, while supporters of the Social Democrats and Christian Democrats are more divided, with narrower majorities in favour. Only in the Communist Party are supporters overwhelmingly opposed to accession.[48] Interestingly, in three cases parties' positions on European integration diverge significantly from the views of their electorates: the Social Democrats are more strongly Europhile than their voters; supporters of the Civic Democratic Party, by contrast, do not seem to share its hard-line Euroscepticism; and Communist voters reject the EU much more firmly than their party itself does.

Both the EU's own detailed Eurobarometer research in candidate states in October 2001 and more recent local polling suggest that the key factors motivating those who reject EU membership are economic concerns over possible rises in the cost of living or increases in unemployment, as well as more intangible fears that Czechs will have a 'second–class membership' – often linked by respondents with likely restrictions on Czechs' right to work in the other EU states. There is contradictory evidence as to the importance of Czech–German relations in shaping Czech voters' perceptions of European integration and the EU. Two polling organiszations (CVVM in April 2002 and TNS Factum in June 2002) attributed falls in the percentage of respondents supporting EU entry during the election campaign to the re-emergence of the Benes Decrees as an issue and its linkage with EU accession. The TNS Factum poll even indicated a clear majority against EU membership if accession were made conditional on the abolition of the Benes Decrees.[49] However, polling by CVVM in June 2002 suggests that social and economic concerns heavily outweigh concern about the Decrees and German influence among opponents of accession.[50]

Conclusion and prospects

Prospects for the accession referendum

The Social Democratic/Coalition government that took office in July 2002 has committed itself to hold a referendum on EU accession in 2003. Legislation for this is currently passing through the Czech parliament. There is clear anxiety in the Czech government over the referendum campaign. All three parties in the governing coalition have stressed a need to educate the Czech public about and promote EU membership. Moreover, on a recent visit to Poland, Prime Minister Spidla agreed with his Polish counterpart, Leszek Miller, to coordinate accession referenda across CEE candidate states in order to build up the political momentum for accession in states such as the Czech Republic, where support for EU entry is weaker. He has also expressed fears that ODS might, explicitly or implicitly, come out against accession in a referendum campaign.[51]

Given long-term trends in public opinion, the chances of a 'no' vote seem small. Moreover, despite underlying Eurosceptic moods and the presence of two powerful Eurosceptic parties, the capacity of both ODS and the Communists to oppose accession may be limited. Following ODS's failure in the June 2002 election campaign, a period of recrimination and internal debate has opened up in the party. Klaus has indicated that he will not seek re-election as ODS chairman at the party's next congress in December 2002 and it is uncertain who

will succeed him. The party's future stance on European integration will therefore very much depend upon the outcome of these struggles. Given the views of their grassroots, the Communists seem on balance likely to oppose EU entry. Nevertheless, both their ability to attract wider support and the enthusiasm of many of their leaders for all-out rejection of the EU must be doubted. As the Prague-based European Policy Forum has suggested, a greater danger, particularly in the medium to long term, might be a Czech 'yes' in the accession vote with low voter participation and low levels of public interest. Paradoxically, an active 'no' campaign might politically benefit EU entry by galvanizing accession supporters and boosting turnout, thus enhancing the legitimacy of Czech EU membership.[52]

Political prospects for implementation of the acquis

Given the instability of both the government and the main opposition party in the Czech Republic, and the consequent fluidity of the current political situation, it is difficult to make a firm assessment of the likely political climate for implementation of the *acquis*. However, it is clear that both the Civic Democratic Party and the Communists have positions on European integration that could lead them to tolerate or promote partial or ineffective implementation of the *acquis*. It seems unlikely that either party will hold government office in the next three to four years. However, their indirect political influence and ability to extract policy concessions will increase if the current government fails to maintain its cohesiveness, potentially creating a less favourable political environment for *acquis* implementation. A further complicating factor may be the internal politics of the Social Democratic Party. The highly factional nature of CSSD – once again highlighted by the recent government crisis, which undermined Prime Minister Spidla's authority – may mean that Social Democratic unanimity over EU accession may not extend to implementation of the *acquis*, if CSSD electoral support is badly undercut by the short to medium term socio-economic impacts of accession.

Endnotes

1 One prominent Freedom Union MP voted against government proposals to increase taxes to pay for reconstruction after the recent devastating floods.

2 For fuller background see S. Hanley, *Europe and the Czech Parliamentary Elections of June 2002*, Opposing Europe Research Network Election Briefing no. 5, available at *www.riia.org*.

3 A commitment already voluntarily undertaken by Czechoslovakia in October 1991.

4 The Group currently comprises the Czech Republic, Hungary, Poland and Slovakia. For further information see *http://www.visegradgroup.org/.*

5 See Jolyon Naegele, 'The Benes Decrees – How Did They Come to Be and What Do They Mandate?' *www.rferl.org/nca/features/2002/03/01032002095607.asp.*

6 Its trade provisions entered into force in March 1992 on the basis of an interim agreement.

7 For a typically upbeat assessment, see, J. Pehe, 'The Czech Republic: A Successful Transition', *RFE /RL Research Report*, vol. 3, no. 1, 7 January 1994.

8 One of the best and most accessible studies on the subject is Mitchell Orenstein's, *Out of the Red: Building Capitalism and Democracy in Postcommunist Europe* (Yale University Press, 2002).

9 ODA effectively disintegrated in early 1998 as a result of the scandal and has not contested subsequent parliamentary elections. It was a member of the 'Coalition' grouping but withdrew in early 2002.

10 For an English language selection see V. Klaus, *Renaissance: The Rebirth of Liberty in the Heart of Europe* (Washington, DC: Cato Institute, 1997).

11 *Manifest ceského eurorealismu*. An English version can be found at *http://www.zahradil.cz/html/publikace/old/manifest_eng.html.*

12 The programme Volební desatero ODS 2002, can be found at *www.ods2002.cz/ods2002/asp/texty.asp?CatlID=8gSovakP&catP=5&textID=3*

13 See, for example, Klaus's 'The Eurodebate Today: Liberalizing the European Continent or Re-Regulating It?', lecture at Humboldt University, Berlin, 18 January 2002; or his speech on the 'Czech Republic at the Gates of EU' at the Madrid Business Institute in March 2002, both available at *http://www.vaclavklaus.cz* via the 'English pages' link.

14 For example, that it might be forced to follow an anti-American foreign policy; or obliged to revise the legal status of the 1945 Benes Decrees (see above).

15 See, for example, interview with Klaus in *Právo*, 26 May 2002 and *Hospodáfiské noviny*, 28 May 2002. See also S. Hanley, *Europe and the Czech Parliamentary Elections of June 2002,* Opposing Europe Research Network Election Briefing no. 5, available at *www.riia.org.*

16 Manifesto of Czech Eurorealism, p. 7.

17 Petr Neãas, 'ODS: vytesnovat USA z Evropy a nahrazovat jejich vliv vlivem vlastním je absolutne neprijatelné', *Integrace* no.10/2001 *www.integrace.cz.*

18 Miroslav Kuãera, 'ODS: nejsme Ïebráci, ktefií Ïádají o invalidní dÛchod', Integrace no. 7/2001 www.integrace.cz.

[19] 'Právo a transformace ceske spolecnosti?: nekteré vzájemné souvislosti', in V. Klaus, *Tak pravil Václav Klaus* (Olomouc, Votobia, 1998). 'Právo v rychle se menící spolecnosti' available online at *www.ods.cz/cl_990316.html.*

[20] 'Evropská unie, zákon o státní sluzbe a moc byrokracie', *Vecerník Praha*, 23 November 2001, available online at *www.ods.cz/cl_011123-klaus.html.*

[21] *Lidskost proti sobectví* (Prague: CSSD, 1996) and *Alternativa pro nasi zemi* (Prague: CSSD, 1997).

[22] *Euromanifest CSSD*. Available at http://www.socdem.cz/vismo/dokumenty2.asp?u=422010&id_org=422010&id=112051.

[23] *Euromanifest CSSD*, section I.

[24] J. Danûk, 'CSSD: za negativní dopad Spolecné zemedelské politiky EU na nase zemedelce muzeme sami', *Integrace* no. 7/2001 *www.integrace.cz.*

[25] *Euromanifest CSSD*, section III.

[26] See, for example, remarks by then Foreign Minister Jan Kavan at a meeting of the Party of European Socialists, EU Enlargement Working Group, 4-5 May 2000 available at the English-language section at *http://www.socdem.cz.*

[27] *Euromanifest CSSD*, section V.

[28] Radio Prague News online, 9 September 2002. See also *Právo*, 10 September 2002.

[29] Koalice, *Programové prohlásení Koalice* (Prague: 2002).

[30] Ctyrkoalice, *Spolecne pro zmenu-dokument Ctyrkoalice*, 28 September 2001.

[31] Unie svobody, *Evropská vize Unie svobody*, Prague 2001.

[32] See, for example, interview with Senator Daniel Kroupa, 'Jsem presvedcenym federalistou', *Integrace* no. 5/2000 *www.integrace.cz.*

[33] M. Lobkowicz, 'Unie svobody: spolecná evropská obrana povede k posílení NATO', *Integrace* no. 10/2001 *www.integrace.cz.*

[34] J. Vozka, 'Unie svobody: zemedelství by mohlo rozhodnout o termínu vstupu CR do EU', *Integrace* no. 7/2001 *www.integrace.cz.*

[35] *Zpráva o stavu príprav Ceské republiky na pristoupení k Evropské unie - dokument Ctyrkoalice*, September 1999.

[36] *Právo*, 14 September 2002; Radio Prague news online, 23 September.

[37] The Czech Republic, Hungary and Poland joined NATO in March 1999.

[38] *S lidmi pro lidi, http://www.kscm.cz/show.php?leve_menu/aktuality/volby_2002/vp_2002.htm.*

[39] This following assessment is based on the 1996-7 policy paper 'Za demokratickou Evropu', *http://www.kscm.cz/show.php?leve_menu/dokumenty/manifest.htm;*

[40] See party chairman Miroslav Grebenícek , 'Do Evropské unie jen s pevnymi zárukami' in *Právo*, 24 January 2002, *http://www.kscm.cz/show.php?leve_menu/tiskove_informace/leden_2002/greb_240102.htm*

[41] Central Committee resolution 'Informacní kampan k problematice EU' of 31 March 2001, *http://www.kscm.cz/show.php?leve_menu/tiskove_informace/leden_2002/greb_240102.htm*

[42] *Respekt* no. 28, 8-14 July 2002.

[43] On longer-term patterns since 1989 see Ján Misovic, 'O vztahu nasí verejnosti k evropské integraci', *Integrace*, No. 1/2000; Jirí Cesal, 'Názory nasí verejnosti na vstup do Evropské unie', *Integrace* no. 2/2000; and Jan Hartl, 'Evropská unie v zrcadle verejného mínení', *Integrace* no. 2/2000, *www.integrace.cz.*

[44] European Commission, *Candidate Countries Eurobarometer*, March 2002. Accessible at *http://europa.eu.int/comm/public_opinion.* Hungary is a significant exception to this trend.

[45] Large majorities of Czech *Eurobarometer* respondents in October 2001 were willing to accept European- level decision-making across a large number of policy areas and wished to see their country make more rapid progress to the EU accession. European Commission, *Candidate Countries Eurobarometer*, March 2002. Accessible at *http://europa.eu.int/comm/public_opinion.*

[46] The last term derives from the cynical hero of Jaroslav Hasek's satire *The Good Soldier Svejk*. See L. Holy, *The Great Czech Nation and the Little Czech* (Cambridge: Cambridge University Press, 1996); and J. Pehe, 'Are We Our Own Worst Enemy? – Czech Provincialism', *The New Presence*, October 1996, pp. 1–5.

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[50] Anecdotal evidence from former Sudeten German areas, which recorded high Communist votes in June 2002, supports this. *Respekt* no. 28, 8–14 July 2002; *Mladá fronta Dnes*, 17 June 2002, regional supplement for South Moravia.

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