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European Union

# EU And East-Europeans. Czech Republic As An Example

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## An article by Viera Hude?ková based on an intervention made at The International Conference "Another EU is necessary and possible" organised by the Party of the European Left on the 12th of May 2018, Sofia, Bulgaria.

There is an interesting development of the attitude of Czech citizens towards EU which might be described using a quotation: In the 1990 we have been a poor country with hope, currently we are relative rich country without hope.

Before elaborating more on this, I would like to explain the position of Czech leftist political party I represent as well as our position on this matter. Party of Democratic Socialism (SDS) is a founding member of the European Left, and has a generally positive relationship towards the European integration, despite our criticism of the recent EU and the way it operates. During the accession period the SDS, acted in favour of European project and of the Czech Republic (CZ) joining the EU. Together with a group of Communist Party of Bohemia and Moravia (CPBM) Members, we founded the Society for European Dialogue (SPED) to promote the European project among political Left, we also organized meetings and other activities in the time preceding the accession referendum.

The Czech Republic became a member of the EU on 1st of May 2004, when 77% of the population agreed to our membership in the referendum. This support has gradually fallen, onset on the crisis in 2008 was it only 40%. On the other hand, when discussing the result of the 2004 referendum, one should add that the participation in the vote was only slightly over 55% of voters - thus only some 43% of eligible voters expressed their explicit consent with the membership of CZ in the EU.

Why it the support for EU in the Czech Republic only so "lukewarm" at best?

One can consider this a bit surprising. As in the others Central and Eastern European Countries (CEE), before 1989 many people were "Dreaming of Europe", in general, the dissent was strongly pro-European (pro-Western). Consequently, in early 90', a very eurooptimistic positions dominated the society in the Czech Republic, represented mainly by Vaclav Havel and his liberal political wing. This was accompanying some idealisation of the so called First Czechoslovak Republic (1918-1938) with main slogans like "Back to Europe!". Even V. Klaus, the leading euroscepticist of today, was initially in favour of "coming back to Europe". This turned out to be based largely on illusions.

Currently the inhabitants of the Czech Republic are among the most eurosceptic EU-citizens (Figure 2 - see enclosure) and after Brexit, some started to talk about  $\hat{a} \in \tilde{z}Czexit$ ".

There are several reasons for this decline:

- citizen's expectations regarding the positive benefits of the EU accession gradually failed to materialize, in particular in the sphere of everyday life and family budget;

- increasingly, our citizens started to feel to be not adequately represented, and with little influence on the decision-making processes in the EU;

- we may even spot some "semi-colonial" feelings, with sharp criticism against the "West", i.e. in particular the

EU-core, for the dismantling of the Czech industry, banking sector etc.

This situation was reflected also by appearance and rise of "euro-sceptic politicians" and parties, who campaigned for "NO" in the referendum. An example of this is V. Klaus (much less his original ODS-Civic Democratic forum), which considers the EU a "socialist project" limiting our sovereignty. Very anti-European were in the time of referendum Republicans, the first right-wing party in CZ, and the CPBM oscillating between "hard" and "soft" criticism (finally expressing their position as "weak NO".

This scepticism does not apply only to our current position of CZ, but also to the possible splitting into "two-speed EU". According to a recent opinion poll, only 19% of CZ citizens see our appropriate place in the  $\hat{a} \in \check{z}$  core" compared to 58% in Poland (some 42% see it in "periphery" and about 23% support the CZ leaving the EU).

Interestingly, there is almost stable level of support and refusal of EU during the last 15 years that is since the 2004 referendum. The above (Figure 3 - see enclosure) opinion poll was taken in the time of the British referendum. As we see, about one third supports the idea of "Czexit" and some 49% are still supporting EU. This brings a question: Why there is little success in convincing the society about benefits of the EU? One may speculate about both the domestic politics and "Brussels" as being guilty. Definitely, there are known failures of the EU structures to contribute to this.

We may say that the causes are almost certainly not in the overall economic development. So far, Czechia is a  $\hat{a} \in \tilde{z}$ net consumer" of EU support, with a considerable positive balance (Figure 4 - see enclosure). According to the predictive models, the Czech Republic grew at least 1.1% faster thanks to the EU and gained about 13 billion EUR. If the Czech Republic had not been a member of the EU, GDP would be some 12% lower.

The GDP growth is among the highest of all EU countries (Figure 5 - see enclosure), exceeding 5% in the last year. In the period between 2006 and 2017, the Czech Republic reached the highest growth rate among the "new EU countries", although it is still below the EU average on long term (Figure 6 - see enclosure).

The good performance of the CZ economy is a result of the close connection between Czech and German economy, and it is accompanied by a decrease in unemployment. Recently, it is just 3,5% - which puts us on the top of EU. Anyway, there were about 264 thousand unemployed, but almost 240 thousand positions in March 2018. Despite these – somewhat impressive – macroeconomic numbers, situation is less positive in everyday living standards.

One of the expectations of joining the EU was that the standard of living will increase, which will bring it closer to the EU15. Such change did not happen in the CZ so far. Between 1995 and 2012, the convergence in household income to the EU15 was only 0.1%, one of the lowest among CEE countries. And domestic politicians are successful in shifting the blame for this to Brussels, or to EU15.

There are some professions where salary differences amount to seven times. We may see this also on the example to teachersÂ' salaries (Figure 7 - see enclosure).

For example, a teacher in Slovakia has an annual income in equivalent of 19,000 USD, teachers in Bulgaria or Romania are even worse, but a teacher in Germany earns 89,000 USD and in Luxembourg the salary reaches even an equivalent of 138,000 USD. In the Czech Republic, only 53% of teachers believe that the teaching profession benefits clearly outweigh its disadvantages, compared with 77% in the international average, and 88% of teachers think that the society does not appreciate the teaching profession, as compared to 69% of the international average.

A strong feeling of CZ being a "second order country" increases the negative position towards Brussels and the West

#### in general.

All Czech banks and savings banks were sold to foreign investors already in early 1990s, bank charges are increasing and the huge profits, hundreds of millions of euro are moved abroad to Germany, Austria, France, etc. We see that it is a substantial share of our GDP, which is flowing abroad as revenue of foreign companies (Figure 8 - see enclosure).

Similarly, practically all large factories were sold out to foreign investors – to be closed as their unwanted competitors in many cases. Salaries are still far lower than in similar businesses in the West. This is causing a disillusion even among the EU supporters, as we can see in the next graph (Figure 9 - see enclosure) which gives us an interesting comparison of the positions of EU-supporters and opponents. As we see, those who would have voted for withdrawal from the EU, and those in favour of remaining in the EU have similar illusion or prejudices. Of course, the yes/no position influences the TOTAL percentage, but it is the distribution, which matters here. One can easily feel that for most people the realities "do not matter", that is, their positions are determined largely emotionally. A similar conclusion might be drawn from comparison of most pertinent "public issues" in 1995 and 2018:

#### https://npa31.org/IMG/jpg/table-page0001.jpg

If we compare the problems or "problems", often rather curious and seemingly minor issues, discussed in the Czech society in 1995 and in 2018, we see that "under the surface" there are actually much the same. That is, little has been solved during last 20 years by the Czech elites or in some cases, these "elites" are creating and "inflating" some of the issues psychologically. This, in our opinion, presents a challenge and opportunity for the Czech and European left. The weakening, or even the collapse of the euro and the European Union, would not help anyone. We need to look for ways to improve the EU.

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