Czechoslovakia: the break-up and its consequences

Ivan Gabal

The post-1989 development towards democracy and the market in Czechoslovakia was divided into two main periods. The first phase ran until June 1992, when the second parliamentary elections resulted in the massive victory of two somewhat incompatible political forces in the Czech and Slovak parts of the Czechoslovak Federation. The second began on 1 January 1993, when Czechoslovakia split into the Czech Republic and the Slovak Republic.

The following report chronicles important features of the political and economic development of the two new states. I will begin with a brief summary of post-1989 developments prior to the divorce in order to understand the background of the separation of the two countries.

THE 1990–92 PERIOD – UNIFIED CZECHOSLOVAKIA

The Czechoslovak, that is unitary, phase immediately following the fall of communism was driven by certain common as well certain diversifying processes contained within the general framework of the dynamics of post-1989 change. The common aspect of development was characterized by the implementation of the main political goals articulated in the early days of political change. These were:
Re-establishment of basic political rights and the institutions of parliamentary democracy including early democratic election of the three parliaments (Federal Assembly and the two National Councils). The elections provided full legitimacy and legality to the 1989 changes as well as to the new governments and political programmes.

Reconstruction and development of national sovereignty based on (1) dismantling of the Warsaw Treaty; (2) negotiation of the complete withdrawal of Soviet troops; (3) change of the geopolitical orientation of Czechoslovakia (Visegrad Group and the EC Association Agreement); (4) developing an active policy and role for Czechoslovakia in the security area (CSCE, participation in the international operation in Kuwait as well as participation in peace-keeping operations in several regions); (5) development of normal relations with Western neighbours (mainly Germany).

Implementation of the main steps of macrostabilization and liberalization of the economy as well as full – scale privatization.

Protection of the full legality and legitimacy of all changes by the mechanism of parliamentary procedures and votes on all key government decisions.

All these changes were subject to debate and vote by the Federal Assembly. The structure of the Czechoslovak Federal Assembly was carefully designed to balance the interests of the two nations through a powerful anti-majority voting system in the Chamber of Nations. The main systemic changes were accepted by the deputies of both the Czech and Slovak parts of the Federation. The general direction of the country’s development was not subject to greater disagreement due to the close political and personal affiliation of the winning political forces in the 1990 election in both parts of the Czechoslovak Federation (Public Against Violence in Slovakia and Civic Forum in the Czech Republic).

This first period also exhibited increasing tendencies to diversification. The existence of significant differences between the