

Government still lacks stability after vote

By Jiří Pehe

Parliament's recent vote of confidence provides Václav Klaus and his team with some breathing space for now, but it does not make the government any more stable than it was before the vote. That's because the government — which is, according to opinion polls, trusted by less than 30 percent of the people — needed a much stronger mandate than the one-vote margin of victory it received.

That the deciding vote came from a former Social Democrat, Jozef Wagner, who forced Klaus to make humiliating last-minute concessions, certainly does not help the government's credibility.

The old government team survived, albeit with two new faces, but it needs either strong political support from Parliament or strong support from the public — preferably both — to carry out the austerity measures outlined in the recently announced stabilization program. Instead, it has neither. It remains to be seen whether a government that lacks credibility can implement highly unpopular (although necessary) austerity measures that even a much more trusted government would have problems selling to the public.

The Klaus government had the political mandate to ask people to tighten their belts five years ago, when the coalition parties won a clear majority in Parliament. It wasted that opportunity. Instead, Klaus told the country that transforming a command economy into a market one could be achieved without pain.

Now this country — long portrayed by its leaders as a front-runner of economic and political reforms in the post-communist world — is facing a therapy that Poland and Hungary underwent a few years ago.

A lack of credibility may hinder the Klaus government in a number of ways. In order to succeed, the government must fulfill three conditions. First, it needs to build a broad political consensus that would extend to the opposition Social Democrats (ČSSD). Second, it needs to forge a broad social consensus that would minimize the chances of labor unrest. To do so, the government will need to convince trade unions to support the austerity measures. Third, the coalition must remain united.

It's a daunting task. The ČSSD has little or no incentive to cooperate. The minority government should have attempted to cooperate with the opposition after last year's elections. Instead, the Klaus government, unused to making compromises after four years of majority rule, opted for a confrontational style. Given the extent of the country's problems, a grand coalition between the ČSSD and Klaus' Civic Democratic Party (ODS) would be the best solution. However, that's impossible with Klaus and his archenemy, Miloš Zeman, leading the two parties.

Czech trade unions are relatively moderate, and the government — after shunning unions in the past — is now willing to negotiate. However, Richard Falbr, chairman of the umbrella Czech and Moravian Chamber of Trade Unions, has a lot of leverage. He reportedly controls roughly only one-third of the

country's trade unions. Any flare-up of social unrest could easily lead to a fall of the besieged government.

The coalition was united during the confidence vote, but behind the façade of this newly found unity it remains seriously disjointed. Josef Lux, leader of the Christian Democratic Union-Czechoslovak People's Party (KDU-ČSL), has said Klaus should be replaced as prime minister. Michael Žantovský, chairman of the Civic Democratic Alliance (ODA), has criticized KDU-ČSL ministers. There is long list of other mutual grievances that will re-emerge when the government comes under pressure again. Lux has already positioned himself to leave the coalition. His demand that the liberalization of rents and energy prices be postponed was rejected by the two civic parties. If the austerity measures prove too difficult to bear for some social groups, Lux will be in a good position to disclaim responsibility.

Fault lines also exist within the two civic parties. Žantovský does not fully control the ODA caucus, whose members are now split between supporters of the so-called pragmatists (such as Žantovský himself) and right-wing fundamentalists. And the ODS, just like the rest of Czech society, is caught on the horns of a dilemma — it can no longer go on with Klaus, but it cannot go on without him, yet. But if the prime minister cannot produce quick improvements, the second problem will no longer apply.

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