

LETTER FROM PRAGUE BY SUSAN GREENBERG



The pictures on the evening news were compelling, and the whole country watched. The television clip showed leading figures in the Czechoslovak parliament, radical advocates of the anti-communist "purge," displaying secret files to an American journalist to prove their point about a disputed case.

Just a few weeks earlier, one of them, parliamentary deputy Stanislav Devaty, had denied ever meeting the journalist. His special investigating commission had always turned down requests to explain its evidence against fellow deputy Jan Kavan – accused of being a police collaborator – because of the need to protect state secrets.

At the very least, then, the film appeared to catch a blatant lie; at most, a criminal offence. The hunter was being hunted. The "Commission-gate" episode which ended the January session of parliament dominated the news, not least because the commission had set itself up as a guardian of moral purity. Parliament devoted hours of hand-wringing discussion to the issue, ignoring piles of urgent legislation.

The accused commission members responded with a paranoia which typifies the current mood of Czechoslovakia; they argued that the television clip should not have been shown and denounced a plot to discredit their work. Anything which makes them look ridiculous was subversive because it made parliament and democracy look ridiculous – so the ridicule must stop.

The Kavan case is controversial, and will probably be debated for years to come. But Commission-gate was not the only thing to weaken parliament's popularity. Just a few days earlier, the session had thrown out a whole set of proposals offered by the president, arch-democrat Vaclav Havel, to prevent a constitutional crisis over Slovak demands for greater autonomy. They would have allowed him more powers to break a deadlock in parliament – for example, by calling a referendum.

It was not just a personal defeat for Havel, it was a defeat for parliament too. A constituent assembly elected nearly two years ago after the "velvet revolution" had failed in its specified task to agree on a new constitution. Havel launched the initiative two months earlier, when politicians failed again to agree on a formula to keep the country together. In dramatic speeches – including an appearance at a balcony above Wenceslas Square – he called on the public to take the matter out of the hands of politicians by showing their support for a referendum.

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Over a million signatures were piled high on the parliament's plenum to meet his call, but the gesture meant nothing. The changes, designed to make an unworkable parliament more workable, couldn't pass because the parliament was already unworkable. A split of the country into Czechs and Slovaks is still hanging over the horizon – an ever-present worry, like having a friend with a terrible illness and always expecting the telephone to ring with news of the worst.

But now there is something to take everyone's minds off the problem – "Kuponova privatizace." In a country where the word "stock market" used to be criminal, every teacher and taxi driver discusses how to invest their coupon books and swap tips about companies. Once the sell-off begins in earnest,

probably in April, the coupon books can be exchanged for shares in the thousands of state-owned companies being sold to private hands – the biggest mass-privatization in history.*

There have been inevitable problems and fears, fuelled by the complete lack of regulation and the growth of investment management funds. Especially to Western eyes, accustomed to gloomy stories of financial scandal, the behaviour of many local funds is alarming. Many have made risky promises of "guaranteed" high returns – at odds with the experimental nature of the programme – and others have been criticized for aggressive selling techniques. Agents of one fund were found promising food hampers to the inmates of an old people's home if they signed over their coupon books.

The funds have taken their cue from the finance ministry in charge of the whole scheme, which argued for minimal regulations. Finance

the politician is now clearly paramount. His former close friend Tomas Jezek, privatization minister for the Czech republic, has argued several times for a delay in the launch of the voucher scheme. He was concerned to encourage competing projects for each business, so the current "old structure" company managers didn't win control by default.

More recently, he has argued that people would have been encouraged to invest directly into a company as the government preferred, rather than rush to the funds, if the finance ministry had waited until a list of companies available had been made public before the scheme opened for business. Mr. Klaus has resisted any delay on economic grounds, saying it would cost the country money and give the wrong message about their determination to press ahead with quick change. But he also has a political agenda. Each voucher has the finance minister's signature on it, and he has calculated on vouchers turning into votes at the June elections.

After two generations of unfreedom, it is hard to find the right balance. Extreme mood swings – from total state control to official chaos – are all part of growing up. But it can lead to some trying moments. That's why the courts in Bratislava are frightened to risk charges of censorship by bringing charges against the Slovak publisher of the notorious anti-semitic forgery, *Protocols of the Elders of Zion*. That's why the manager of a trendy – and noisy – new disco pooh-poohs the hurt feelings of local residents, and insists that planning permission is unknown in a market economy.

And that's why the car park attendant outside my home, dreaming every night of the car that got away, screamed "Bolshevik!" when I insisted on my right to free residents' parking. □

– Susan Greenberg is the Prague correspondent for the British daily *The Guardian*.

*Book of coupons or vouchers are purchased by Czechoslovak citizens and can be invested, singly or in multiples, into various state-owned enterprises. This can be done in two ways, directly into an industry or factory of the coupon-holder's choice, or by signing over coupons to "investment funds" which, in exchange for future returns, accumulate large numbers of coupons for investment in many enterprises. Some eight million people have purchased coupons, twice as many as was anticipated.