

THE OHIO JOURNAL OF SCIENCE

VOL. XLIX

MARCH, 1949

No. 2

CZECHO-SLOVAKIA — THE BRIDGE BETWEEN EAST AND WEST¹

DR. HENRY LUDMER,

University of Toledo, Toledo, Ohio

Recently the attention of the world was focused on Czecho-Slovakia because of the communist *coup d'etat* there and she still is in the news. Most people know very little about Czecho-Slovakia and therefore draw wrong conclusions. Having lived there for 25 years I feel able to discuss the geopolitical, economic, cultural, and military implications of the communist *coup d'etat* in Czecho-Slovakia in a more competent way.

1. THE GEOPOLITICAL IMPLICATIONS

Czecho-Slovakia, about 600 miles long and 100 miles wide, lies in the heart of Europe bordered by Germany in the west, Russia in the east, Poland in the north and Austria and Hungary in the south. A rather precarious position. The *coup d'etat* means a consolidation of the Pan-Slavistic space and a further advance of the Russian sphere of influence towards the West. Russia's one party system was copied when the Social-Democratic Party was absorbed by the Communist Party and the entire government adopted a single list of candidates for the May elections. Dr. Benes resigned in June. Com. Gottwald took over the presidency.

Czecho-Slovakia is somewhat larger than Ohio (Cz. area 49,358 square miles, Ohio's 41,222 square miles), but her population is more than twice as large (Cz. population 14,447,000, Ohio's 6,907,612). This discrepancy is another basic reason for the Czech. troubles. In addition there are two extensive mountain systems: the Carpathian in the eastern part of Moravia, Slovakia and Carpathian Russia and the Sudeten in the western parts of Moravia, Bohemia and Silesia; leaving only about 35% of the country's area for farming. But intensive agriculture still is the predominant occupation claiming about 40% of the population, especially in the east. Wheat, rye, barley, oats, potatoes, sugar beets, corn and hops are grown in abundance. After World War I the number of peasants was greatly increased by the sequestration of all large estates formerly owned by the Austrian aristocracy and by the land reform for the benefit of Czech. legionnaires. This trend continued after World War II after the expulsion of the Sudeten Germans and now is in full swing with regard to all other estates and foreign-owned land. Only small-scale farms up to 120 acres a family, are permitted to remain in private hands. This land reform may be politically expedient, but it is not economically sound because it means a split-up of well established agricultural units and higher operational expenses to the new units.

Czech. mineral wealth is great and comprises both soft and hard coal, iron, graphite, garnets, uranium, silver, copper, lead, and rock salt. On October 24,

¹Paper presented before the Geography Section of the Ohio Academy of Science at the annual meeting held at the University of Toledo on May 7, 1948.

1945, all mines were nationalized and now they are called "national enterprises" (narodni podniky).

The famous subterranean caverns, lakes, ice caves, labyrinths, etc., as well as the Czech. pass and mineral springs used to attract many American, British, French, etc., tourists who may prefer to stay home now.

2. THE ECONOMIC IMPLICATIONS

Minister of Industry, Fierlinger, estimated last month that under the nationalization decrees already legalized by the Czech. Parliament, 90% of Czechoslovak industry is in the hands of the state. The law provides for state ownership of all export and import, commercial banks, insurance companies, public utilities, defense industries, steel plants, the Bata shoe factories, manufacturing concerns of drugs and phonograph records, glass and chemical industries, paper industries, spinning and weaving mills, clothing factories, hotels, wholesale trade, printing establishments (except small outfits not using rotary presses or similar equipment) and of every other establishment employing more than 50 persons. It means that the great majority of Czechs and Slovaks not on farms will have to work for the state or state enterprises. At the same time, the government inaugurated a large-scale program designed both to reorganize industrial units into more effective combinations and to concentrate production in the most technically competent areas.²

To wipe out deficits of the nationalized industries the government adopted October 28, 1946, a Two-Year Plan. The overall goal is to raise production of both capital and consumer goods 10% above 1938 by the end of 1948. To this end the government is spending \$1,397,000,000 in all phases of Czechoslovak economy.³

This planned industrialization of Czecho-Slovakia is closely linked to a similar planning in Poland. In July, 1947, the two countries signed a five-year trade treaty. This treaty provides for extensive development of communications and transport between the two countries and "regulated relations" between their respective industrial and agricultural systems. A bilateral Council of Economic Collaboration was set up and trade exchanges planned for the period July 1, 1947, to July 30, 1948.⁴

The only effect the communist *coup d'etat* has on foreign trade is the complete nationalization of all foreign trade.⁵

The Czecho-Slovak economy is dependent on foreign trade both as an outlet for the products of industry and for supplies of raw materials. Before the war 75% of exports were finished goods and more than 50% of imports were raw materials. Postwar trade is following a similar pattern.

By value the principal imports are raw cotton, wool, iron and other metallic ores, mineral oils, and chemicals. Principal exports are iron and steel products, machinery, textiles, glass, timber, pulp, and paper.

Principal imports from the United States before World War II were cotton, fruits and nuts, machinery, copper, and petroleum. Principal exports to the United States were textile fabrics and products, leather wares, glass and glassware, malt and hops, and wood pulp.

Total trade during 1946 amounted to about 24.5 billion crowns (490 million dollars), of which imports totaled 10.2 billion crowns (204 million dollars) and exports totaled 14.3 billion crowns (286 million dollars). The trade picture with the United States is very dark—in 1947 there was a deficit of imports over exports of 1.9 billion crowns (38 million dollars). Russia's challenge to the United States,

²Foreign Policy Reports, (April 1, 1948), Vol. 24, p. 19.

³Current History, (November, 1947), Vol. 13, p. 272.

⁴Foreign Policy Reports, (April 1, 1948), Vol. 24, p. 20.

⁵New York Times, (March 7, 1948), Gregor Speech, p. 10.

Great Britain, etc., is that of a country which, because of its boundless need for all kinds of products after the wartime destruction suffered, offers a huge market for the exports of other nations. In this respect, Russia has and may continue to have a greater power of attraction for the countries of Central and Eastern Europe and the Balkans than the United States, which has been more concerned in increasing its own exports than in encouraging imports from actual or potential customers. Like other countries of Central and Eastern Europe, Czecho-Slovakia has conducted its foreign trade since World War II mainly on the basis of short-term bilateral barter agreements subject to renewal. By April, 1948, Czecho-Slovakia had such agreements with 25 countries in the East and West, but had not yet completed a trade agreement with the United States. Despite its present dependence on bilateral agreements, Czecho-Slovakia has constantly professed a desire ultimately to return to a system of multilateral trade proposed by the United States, once conditions are favorable to such a development. She has participated in the European Economic Commission as well as in the negotiations for the Trade and Tariff Agreement of October 31, 1947, and signed the Charter of the International Trade Organization on April 2, 1948, i.e., after the communist *coup d'etat*. Russia did not sign it. In May, 1948, the U. S. granted Czecho-Slovakia the tariff concessions in accordance with the agreement of October 31, 1947.

The official rate of the Czech. crown is 50 crowns to one U. S. dollar. Recently the black market rate rose from 150 to 340 crowns to the dollar. This development indicates less confidence in the Czech. crowns and a considerable increase in the desire for U. S. dollars.

3. THE CULTURAL IMPLICATIONS

The Czech. government is pledged to maintain "practical" cultural relations with the Soviet Union. The Czech. Minister of Education is a communist. He removed Rector Karel Englis, internationally famed economist and ex-minister of finance, from the presidency of the Charles University of Prague—now 600 years old—and Bohumil Bydzovsky, leftist mathematician, is rector of the university of Prague now. Since the Communist coup, "action committees" have taken control of the university. More than 200 students have been expelled, though 25 U. S. students still study there (the 22 who are veterans have been cut off G.I. Bill of Rights benefits). Before they take final exams, all students will have to qualify for "certificates of national and political reliability."⁶ All these things have not changed the University of Prague nor Bohemia as places of Western culture. People use Western expressions. Many streets and squares are named after American presidents. It was not possible for the Hapsburgs and Hitler to digest Czecho-Slovakia; it will not be possible for Stalin to enslave the Czech. people.

4. THE MILITARY IMPLICATIONS

The military potential of the Russian sphere of influence was strengthened by the Communist *coup d'etat* in Czecho-Slovakia, because the cities Prague, Stara Boleslav, Lazne Belohrad, Benesov u Prahy, Boskovice, Brno, Ceske Budejovice, Nemecky Brod, Frenstat, Mistek, Hodonin, Velke Mezerici, Humpolec, Vysoke Myto, Hostivice, Jihlava, Jaromer, Jinec, Jicin, Josefov, Mlada Boleslav, Hrebenny, Kladno, Klatovy, Hradec Kralove, Kolin, Kralupy, Louny, Lobnik, Moravska Ostrava, Hranice, Milovice, Jindrichuv Hradec, Nove Mesto n. Mor. Olomouc, Pardubice, Pribramy, Pelhrimov, Plzen, Pisek, Prelouc, Prerov, Prostejov, Psikosice, Rakovnik, Slany, Susice, Sedlcany, Strasice, Tabor, Domazlice, Telc, Trebic, Vyskov, Vsetin, etc., have training areas and other

⁶Time, April 19, 1948, p. 23.

military installations. Czecho-Slovakia has eleven ammunition factories, including the famous Skoda Works, twelve transmitters and 8,262 miles of rails, all of it hardly damaged in World War II. The Czech. Army has 160,000 men—Russia allotted \$152,000,000 for it in her last budget. Universal military service for all men between 20 and 50 years of age was re-established in 1940 with service for two years. Hitler turned the Army into a labor corps, but now it is re-established. Czecho-Slovakia signed several military assistance pacts with her neighbors, the last one with Bulgaria. It is primarily because of Czecho-Slovakia's fear of a restored strong Germany that the Soviet alliance is regarded by all existing parties as the proper foundation of the nation's military policy.

CONCLUSIONS

Czecho-Slovakia has to maintain military, political, economic and cultural relations with the Soviet Union. Her dependence on Russia for her economic and military security, however, does not exclude agreements with countries outside the Soviet sphere. Czecho-Slovakia signed the Trade and Tariff Agreement of October 31, 1947, and the Charter of the International Trade Organization on April 2, 1948, after the Communist coup although Russia did not sign them.

Czecho-Slovakia should remain the bridge that connects East with West and not become the bridge which could be used by the troops of both for mutual destruction.
