# Czech Republic's new PM: The Avoidable Rise of Andrej Babiš

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## The Czech Republic's new leader is a sad symptom of a broader crisis.

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Only one person won last month's Czech elections: billionaire Andrej Babiš [1]. His party, ANO — which notionally stands for Action for Dissatisfied Citizens but also means "yes" in Czech — received almost 30 percent of the vote, taking 78 out of the 200 seats in the Chamber of Deputies. Its nearest competitor, the conservative Civic Democratic Party (ODS), received only 11 percent and 25 deputies.

Babiš's runaway success has created a deep sense of unease among the Czech and European establishment. Some are suggesting that he represents an existential threat to a state that isn't even twenty-five years old [2].

But Babiš is more fragile than many would admit. The divisive election produced the most fragmented parliament in Czech history, leaving him with few options for coalition partners. Despite winning the highest vote share in a decade, his path to the premiership remains unclear. Even if he becomes prime minister, corruption charges still hang over him [3] and a whiff of scandal refuses to go away.

The second richest man in the Czech Republic, the Slovakian-born Babiš owns the country's fourth largest company, the vast agricultural concern Agrofert. Recently, his company extended its influence into media, purchasing two major newspapers and a radio station.

Babiš entered politics in 2012, presenting himself as a hard-headed businessman ready to step in and sort out the mess left by incompetent politicians. He made a familiar promise: "I will run this country like I run my business."

But his public life has long been accompanied by accusations of corruption. He's currently facing charges of misdirecting European Union farm subsidies [4], and he has also been accused of tax evasion [5] after buying untaxed penny bonds in his own business. Persistent allegations that he was involved in the Slovak secret police won't go away. He strenuously denies this, but the Slovak government recently announced it would investigate [6]. Many of his opponents treat these rumors as fact.

Still, Babiš's electoral victory has felt inevitable for some time. In 2013, when ANO first participated in parliamentary elections, it came second with 19 percent of the vote, taking most of its support

from the ODS. The latter, a right-wing party founded by former president Vaclav Klaus, has played a leading role in Czech politics since the Velvet Revolution. It had belonged to center-right coalitions in the previous two governments.

In 2013, ANO formed a coalition with the Czech Social Democratic Party (ČSSD) and the Christian Democrats (KDU-ČSL). Though the social democrats won that election with 20 percent of the vote, they actually saw a decrease in their vote share. Knives were out for party leader Bohuslav Sobotka, who was almost ousted as leader before he could become prime minister. Babiš took on the role of finance minister.

When ANO won the European elections in 2014 and the regional elections in 2016 it seemed obvious that ANO and ČSSD would end up swapping places and Babiš would become the major partner.

Then, this summer, Sobotka attempted a high-stakes gamble and lost badly. As charges against Babiš started to mount, the prime minister announced that they could no longer work together, so he promised to resign and dissolve the government.

This produced a constitutional standoff [7] between Sobotka, Babiš, and President Miloš Zeman (Babiš's ally and former ČSSD leader, who many believed was orchestrating Sobotka's attempted ouster). Zeman insisted that Sobotka's resignation did not mean the entire government needed to be reformed. As a result, Sobotka decided not to resign and demanded Babiš do so instead.

After a weeklong stalemate, Babiš agreed, and Sobotka appeared to have won. That is, until polls showed a collapse in support for the ČSSD. The party removed Sobotka, making him a lame duck prime minister, and Babiš's support soared.

At this point, most thought that the elections would produce a coalition between ODS and ANO, but, as the vote approached, polls started to indicate something far more alarming. ODS was also lagging while smaller, more radical parties were gaining momentum.

Polls suddenly began predicting that the Communist Party of Bohemia and Moravia (KSČM), a largely unreconstructed formation that still commands a substantial sector of support, might come in second behind Babiš. Meanwhile Tomio Okamura's virulently anti-Islam and anti-immigrant party, Freedom and Direct Democracy (SPD), started to rise in popularity.

In response, politicians from the various center-right parties tried to turn the election into a referendum on democracy, warning about the risks of a majority of "anti-democratic forces" — meaning Babiš, the SPD, and the KSČM.

In the end, the results were even more volatile than anyone expected. Nine different parties entered parliament. The Social Democrats and the Communists saw their vote collapse further than any poll had suggested. Okamura's SPD received more than 10 percent, but the left-libertarian Pirate Party beat it to third place. ODS rallied to come in second.

These results make Babiš's path to power very complicated. Indeed, some are suggesting that he will hand the premiership to another ANO member. But this week Zeman charged Babiš with forming a government, a symbolic gesture that likely means he will become prime minister. The question that remains is how he will do it.

The most obvious strategy is to form a coalition with ODS, but the right-wing establishment spent the election denouncing him as an enemy of democracy. There are rumors of a leadership change within ODS, which would smooth the way toward such a deal.

ANO could also restore the old coalition with ČSSD and KDU-ČSL, with the balance of power significantly transformed. But this too seems difficult given the breakdown in relationships and ČSSD's urgent need to reflect and rebuild.

Another, increasingly likely option is forming a minority government, perhaps with new elections early next year. Further complicating negotiations, Zeman is up for reelection in February and so has good reason to help Babiš assemble a coalition that aligns with his own base of support.

# The Chimera of Populism

Reaction to Babiš's victory has been predictable. The international press has incorporated it into the narrative of rising populism sweeping across Central and Eastern European, coming fast on the heels of the German and Austrian elections. Babiš's detractors within the Czech Republic seem almost desperate to paint him as a Czech manifestation of this Europe-wide phenomenon, so much so that political commentators are now talking as if this election represents the end of Czech democracy or the birth of a new republic.

Almost everyone classifies Babiš as a populist, but it's harder to find someone who can define what that means. Babiš presents himself as a straight-talking man of the people, standing above petty party politics, and he has chimed in with anti-immigrant rhetoric and rejected European Union quotas on migrants. Yet to lump him in with the governments of Poland and Hungary, or the far right in Germany and Austria, stretches the definition of populism beyond meaning. In fact, looking for evidence of this affiliation, a BBC correspondent resorted to commenting on his "handing out donuts at Metro stations."

Babiš is no ideologue: he is first and foremost a technocrat. He packed his manifesto with language that describes challenging corruption and building a smaller, more efficient, and more transparent government. He wants to introduce e-government, citing Qatar as a model, and he wants to grow the number of professionals and businessmen who participate in civil service, increasing wages to compete with the private sector. The words "transparent" and "understandable" appear throughout this platform, and his campaign presented him as man of action, opposed to other politicians' "blahblah-blahing."

His favorite metaphor, naturally, comes from business, which the manifesto's preamble makes clear:

Today we already have experience, and if you give us a chance, we will show you that the government can be so different from what traditional politicians have so far demonstrated. We want to show that we can be active, economic, and loyal employees of this great family business, which is called the Czech Republic and belongs to you.

In this fantasy, the people are the employer, and Babiš is their loyal servant, but his patrician tone betrays his real vision — he sees himself as the benevolent head of the family business.

His party, too, is stuffed with technocratic figures. The man who replaced him as finance minister formerly served as the Czech head of Microsoft, and many of his ministers will likely come from the ranks of his former employees and advisors.

These facts should invite comparisons with another insurgent party: Emmanuel Macron's En Marche. The two men differ in appearance — the slick young financier versus the brash older oligarch — but the parties' make up and attitudes are much closer than many would admit. But, at least according to the media, Macron is the great destroyer of populism, while Babiš is one of its

many avatars.

This view largely boils down to their different opinions on the European Union: Babiš wants to suspend long-term plans for the Czech Republic to join the euro, and he will continue the previous government's opposition to EU refugee policies.

But this hardly amounts to root and branch opposition. Indeed, the European Union has helped make Babiš very rich, and members of ANO already sit in the European Parliament as part of the Alliance of Liberals and Democrats for Europe. One of them even serves as commissioner for justice, consumers, and gender equality. That few news outlets have commented on this reflects how distorted European politics look when seen through the prism of centrism against populism.

Babiš undoubtedly poses a threat to democracy. He sees himself as a benevolent boss at the head of a mighty corporate state, a vision fundamentally at odds with any idea of a society in which people make collective decisions about their own lives. His concentration of economic and political power will allow for serious abuse, and any government he leads will oppose the interests of workers and the oppressed.

But he shares these views with a large portion of his detractors, both at home and abroad. The conception of politics as a managerial enterprise, dominated by experts, professionals, and businesspeople belongs to most of the political establishment. This is what makes their criticisms of him sound so hollow.

### "You Created Me"

Babiš loves to remind the political establishment that they created him. Most obviously, he means that if they hadn't engaged in petty politicking and corrupt deals, he would never have gotten involved in politics in the first place.

But the statement rings true in a stronger sense as well: Babiš is very much the product of a political system in deep crisis. This fact forms a great deal of his strength — every corruption charge levelled against him looks like hypocrisy. Why, voters ask, are politicians suddenly worried that personal and business interests are dominating politics, as if it hasn't always been this way?

In this sense, Babiš is a symptom of the broader decline in support for traditional political parties. The two parties that have dominated Czech politics since the 1990s — the ODS and the ČSSD — received less than 20 percent of the vote between them. A survey of high-school students voting for the first time found that they were most likely to support either the Pirates or SPD, neither of which had any previous representation.

Although Babiš himself is nowhere near as hostile to the European Union as some suggest, anti-European sentiment clearly played a big part in this election. Although few outside the SPD seriously want to leave, TOP 09, the only party that openly campaigned in favor of the EU, barely scraped past the 5 percent threshold.

A split from the KDU-ČSL, TOP 09 ran what appeared to be intelligently targeted ads designed to appeal to their base: a metropolitan liberal audience that supports the European Union and wants a "sensible" approach. That constituency was either smaller than they thought or went elsewhere. Hostility to status quo runs increasingly deep, and the European Union appears as another element of it.

This crisis has deep roots. The Czech Republic presents itself as an economic success story, and much Western reporting on Babiš's victory has affected a kind of bemused bafflement that Czechs would vote for change under such circumstances.

Admittedly, the Czech economy has grown, the Czech crown is strong, and people in Prague talk about a shortage of workers rather than a shortage of jobs. But this masks great regional variation, low wages, and deep inequality.

Journalist Saša Uhlová has published several impressive exposés uncovering the reality of Czech industry [8], exposing the long hours and low pay many workers experience in manufacturing and food production. Substantial numbers of people can't find jobs and subsist in real poverty. Politicians label them unadaptable or undesirable and enact policies to get rid of them [9]. Much of this poverty falls on Roma communities, who still face both casual and institutional racism.

In this context, Babiš is not the most morbid symptom. That honor goes to Okamura and his SPD.

Okamura became an MP in 2013 when he still belonged to Dawn, the party he left in 2015. His rise was unexpected and came thanks to a prominent, well-funded, and outright racist campaign. In the lead-up to the election, Okamura equated Islam with terrorism and called for it to be banned as a hateful ideology. A prominent poster read "taxes for services, not parasites," a clear dog-whistle for anti-Roma sentiment.

In much of this, though, Okamura is just following in the establishment's lead. In response to various terrorist incidents, particularly the 2016 attack on a Christmas market in Berlin, several leading politicians have talked up the risk of something similar happening in Prague. In particular, Interior Minister Milan Chovanec (now ČSSD leader) sought to transform migration and refugees into national security issues, even floating the idea of loosening gun restrictions so that people could defend themselves.

This rhetoric seems to have worked: 61 percent of Czechs believe that refugees are a threat to national security [10], while 54 percent believe they are likely to increase crime. By all accounts, Okamura simply saw the way the wind was blowing: the establishment created the conditions that allowed him to thrive.

### What's Left of the Left

This brings us to what remains of the Czech left. The two traditional leftist parties took heavy beatings. ČSSD collapsed to 7.3 percent, while KSČM fell from 14.9 percent to 7.8 percent, losing over half its deputies.

The Social Democrats' story is wearily familiar: a party detached from its base, largely embracing neoliberal politics, and divided between modernizers and traditionalists. After ditching Sobotka, they took something of a left turn, trying to fight the election on traditional left-right questions of taxation and health care. But leading members have also embraced anti-migrant politics when it suits them.

Going from fifty deputies to fifteen presents an existential crisis for the party, and we can predict a period of bloodletting between various factions. The ČSSD shares this predicament with almost every other social-democratic party in Europe — a fact that only underlines the significance of Corbyn's success in Britain.

A peculiarity of Czech politics allows the communist KSČM to still receive even 7 percent, not to

mention the 15 percent they won in 2013. Unlike in many other Eastern Bloc states, the remnants of the Communist Party in the Czech Republic never joined broader left-wing coalitions.

They also have an established base, largely among older voters in the west of the country, which has enabled them to win mayoral and other regional positions. However, an aging base keeps aging, and this election may signal that the KSČM's support is disappearing.

Moreover, the party is increasingly communist in name only. While it's somewhat comforting to see election posters calling for world peace on the Metro, KSČM has also quite happily attacked refugees and migrants. Indeed, early analysis suggests that they bled votes to Okamura's SPD, which should remind us once again of the dangers of the Left trying to use the far right's rhetoric.

The election was also a catastrophe for the Green Party, which received only 1.5 percent of the vote, half its last share. The Greens attract left-wing activists at their youth level, as the Young Greens help organize May Day marches in Prague with anarchists and socialists. At a national level, though, they are still trying to recover from their participation in a center-right coalition in 2010, which dealt a blow to their base of support. Their bland and not particularly left-wing campaign certainly didn't help matters.

Then there's the election's other big winner: the Pirate Party, which is a sort of hipster version of ANO's technocracy, with networked platforms replacing Babiš's vision of a large family business. The Pirates' campaign focused on technical solutions, like online voting and direct democracy, while one of their more prominent billboards read "Ecology without ideology."

Their leader, however, is likeable and has good antifascist credentials. They attract and contain various left-wing elements, including those who oppose NATO membership, those calling for universal basic income, and those who reject intellectual property legislation. It will be interesting to watch how they handle their sudden status as the third largest parliamentary block: there is already talk of a split.

For the Czech leftists that stand outside these parties, the results present both a challenge and an opportunity. They will need to combat Okamura and the far right, and the flash demonstration against him that followed the election was a good start.

But amid the wreckage of the Social Democrats, Communists, and Greens, the broader left must also think about alternatives. The activists and writers around publications like A2larm [11] and groups like Socialistická Solidarita [12] may feel small and isolated, but they should look to Poland, where Razem started with a small base in a situation where the old left had become discredited and ossified and ending up winning over half-a-million votes.

There's a long way to go for now, though.

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### **Footnotes**

- [1] https://www.theguardian.com/world/2017/oct/22/anti-establishment-billionaire-andrej-babis-to-be-named-czech-pm
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