

Evolution of Social and Public Health Policy in Post-War Czechoslovakia (1945–1960), with Emphasis on Health System Reconstruction in Slovakia

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KEY WORDS

Social Policy – Czechoslovak Republic – Slovakia - Welfare State – Social insurance

In my study, I focus on the concept of social policy in Czechoslovakia, with an emphasis on Slovakia in the 1945 -1960. The selected period is divided into two separate parts. The first period shortly after World War II 1945 – 1948 is a breakthrough because fundamental changes of the political and socio-economic system occurred here. The second period also called the Communist period 1948 – 1960 because the Communist Party of Czechoslovakia took of the Government in the country. Initially, they accepted settings of Social Policy. Through they gradually changed conditions, definitions, and positions in society.

Context

At the end of World War II meant the restoration of the Czechoslovak Republic (hereinafter as CSR), a fundamental change in the constitutional status of Slovakia and his political system. The return to the situation before 1938 was no longer possible and about a political direction of CSR to the Soviet Union it decided during World War II. The main principles of restoring CSR have determined on the Moscow negotiations in March 1945, where the Czechoslovak representatives made a decision about arrangements of a common state of Czechs and Slovaks. But on Slovakia after crossing the queue the legislative power had been taken by the Slovenská národná rada [Slovak national council] (hereinafter as SNR). SNR was conceived from 1943, but the government center of SNR was formulated from January 1945. However, the SNR had an interest for the reconstruction of the common state of Czechs and Slovaks, but on the new platform supporting a fair policy and the Slovakia featured like a

national-political unit. This situation was also supported by the first Košice Government Programme accepted in April 1945. The programme determined in detail the principle of future policy in the Common State of CSR.

In the period 1945 – 1948 the CSR balanced with the previous and also with the incoming regime. Principally, the Communist leaders wanted to take power in the country. They were active in all areas of social life and they wanted to use a chaotic situation in the country after the war. By the start of the year in February 1948 the Communist Party provoked a government crisis and they definitely took power in the country. Since then, the Communist Party has limited of freedom and persecuted „unreliable“ citizens. The period 50s was considered for the most dramatic in the history of the governance of the Communist Party in CSR. On the other hand, the Communist Party presented the area of social policy generously. Demonstrated it by accepting the law about the National Insurance Act, which ensured nearly 95% of citizens, which had been standing in the various life situations. The law has removed differences between social groups. In the period 1948 – 1960 the Communist Government through legislations regulated social conditions in society, but above all to suit the Communist Party.

The period after World War II, 1945 – 1948

The CSR stood on the new social foundations on which it wanted to build a state guaranteeing social security for all citizens. The renewed CSR in 1945 was followed up on extremely dramatic events of previous years, the Economic Crisis, World War II which caused huge damage in the society. On the other hand, the CSR should have brought changes for future progress, that should already stop similar situations. These changes occurred in economic, political, social spheres and they also became changes in the area of social policy. The mainly European Economists and Social Theorists tried to find for solving social-economic questions, before but also during World War II. The basis was a mobilization of resources, that should have provided citizens the basic social security, good work for workers, adequate wages, and the basic social income and the necessary social services for other citizens. The success of these tasks on depended from the support of the state, that should have increased mainly in the economic and social areas.

The concept of social policy was defined first in Great Britain, from that came the ideas from british economists John Maynard Keynes and William Henry Beveridge. John Maynard Keynes was called in the literature as „*the father of the post-war welfare state*“, he published in 1936 the title *The General Theory of Employment, Interest and Money*, which started an

economic revolution. Keynes looked for ineffective factors, its not using economic resources and high unemployment in the market economy, which caused recession. For the main reason he considered a weak demand and small incentives to invest. He suggested that the market mechanism to supplemented state interventions and that to increase inheritance tax, and progressive taxation of pensions to support consumption and to reduce the propensity to save. While reducing savings and income from pensions should helped to maintain low interest rates, and increase investment. The state management was oriented to balance tendencies to consumption and to investment, and so helped „*socialization of economic life*“. The main starting point was more evenly and socially fairer for distribution of national pension.¹

The concept of social security was also contained in „*Beveridge Report*“², by William H. Beveridge *Plan for Social Security* (1942). The report proposed a social insurance system, which should provide benefits to meet the basic needs for all population groups and state social assistance, for example, meaning a guarantee of regular income to everybody, irrespective of his/her current situation, creating a unified, simple, and centralized system covering all the population. The social insurance was covered all citizens. Simultaneously, for the main condition of social security William Beveridge considered full employment. In 1944 he already wrote another title *Full Employment in a Free Society*, in which he had written about ways how to achieve full employment. He argued that the state obligation is to ensure adequate income and also ensure for protection of citizens from unemployment and poverty.³

The reflections on the social programs in Great Britain and their first steps of realisations also reflected between the czech social experts Jaromír Nečas and František Němec, and the members of the Czechoslovak exils Government in London. In 1943 they published the title *Plan for social security*, and the prologue wrote William H. Beveridge. He asked also social experts from the other countries for cooperations and for the joint social insurance research. Simultaneously, the Slovak experts (Imrich Karvaš⁴, Peter Zaťko⁵ and others) and the Slovak resistance during the war reacted to the *Beveridge report* and on the Czech's activities. Their

¹ KEYNES, John Maynard. *The General Theory of Employment Interest and Money*. Palgrave Macmillan : London, 1936; See KALINOVÁ, Lenka. *Východiska, očekávání a realita poválečné doby. K dějinám české společnosti v letech 1945 – 1948*. (Starting Points, Expectations and the Reality of the Post-War Period. The History of Czech Society 1945 – 1948) Prague : Ústav pro soudobé dějiny AV ČR, 2004, p. 15 – 19.

² For more details see : BEVERIDGE, William H. *Social Insurance and Allied Services*. H. M. Stationery Office : London, 1942.

³ BEVERIDGE, William H. *Full Employment in a Free Society*. Allen and Unwin : London 1944. For more details see ZUDOVÁ-LEŠKOVÁ, Zlatica; VORÁČEK, Emil et al. *Theory and Practice of the Welfare State in Europe in 20th Century*. Prague : The Institute of History, 2014, p. 31.

⁴ Imrich Karvaš (1903 – 1981) Slovak economist, an important representative of economic science in Slovakia. He wrote many articles, studies, monographs on economic theory and practise. In MAŤOVČÍK, Augustín (et al.). *Reprezentatívny Biografický lexikón Slovenska*. Martin : Matica Slovenská, 1999, p. 159.

⁵ Peter Zaťko (1903 – 1978) Slovak economist and politician, he was an important person in creating the economic theory and practise in Slovakia (1936 – 1950). In Ibid, s. 373 - 374.

thoughts were a nationalization of important departments, limited private ownership and state intervention to economic policy. These thoughts and activities had a big influence on the progress of social policy mainly after World War II in CSR.⁶

This influence was obvious in the first Košice Government Programme on 5 April 1945, which formulated tasks and goals of social policy in CSR. The Czechoslovak Government declared the generous social policy and social insurance for all citizens of Czechoslovakia. However, the main goal was increased standard of living for citizens, with the help of partial goals. The partial goals were health care for workers, an integrating people into the workings, more efficient work, deeper social security, fair distribution of national income and better health care for all citizens, also the care about the mothers with children, about the women in home⁷, about the young people, about the handicapped people, about the orphans etc. Simultaneously, all men and women capable of work have the opportunity to work and earn according to their performance. For realizations these goals, the government used the economy instruments, the transformations social system, and the spreading of social legislation.⁸

The Social Policy in 1945 – 1948 had several important premises. Premise the Principle of Universalism was on the new conditions National Insurance, which should have ensured all citizens for social events and risks. Another premise was the system full employment ensured by nationalization, the state regulation of the labour market, and the state organization of work. The organizer of the Social Policy was the state and the other organizations supporting social policy had been gradually published and nationalized. It was based on the principle so-called the Democratic Socialism applying of social justice (a fairer distribution of income), solidarity (a fair redistribution of national income), participation (should have been the basic for a system of folk democracy) and universality (national insurance).⁹

The complexity and scope of social policy depended on the involvement of individual entities. The professional literature on social policy works with certain models and types, that depends on the rates of participation of state, or based on a different tradition of industry and

⁶ KOŽÁKOVÁ, Katarína. Sociálne zabezpečenie na Slovensku – systém sociálneho poistenia v rokoch 1945 – 1948 (Social security in Slovakia – Social Insurance System 1945 – 1948). In Petruf, Pavol et al. *Slovensko a Československo v XX. storočí. Vybrané kapitoly z dejín vnútornej i zahraničnej politiky. K 70. narodeninám PhDr. Dagmar Čiernej-Lantayovej, DrSc.* Bratislava : Historický ústav SAV, 2010, p. 225.

⁷ The issue about czechoslovakia women in society after World War II, See KOŽÁKOVÁ, Katarína. *Women in the Building Era of Czechoslovakia 1945 – 1948.* In Prague Economic and Social History Papers (WISOHIM/ESH), 19, Charles University Prague, Faculty of Arts : Prague, 1/2014, p. 23 – 38.

⁸ *Program československé vlády Národní fronty Čechů a Slováků přijatý 5. dubna 1945 v Košicích* (online). Available at: <http://www.blisty.cz/2005/4/1/art22429.html>

⁹ HRACHOVÁ, Sandra. „Roztočte kola...“ Transformace konceptu sociální politiky a budování sociálního státu v Československu v letech 1945 – 1948 (Transformation of social policy conception and social state building in Czechoslovakia 1945 – 1948). In STŘEDOVÁ, Veronika – ŠTĚPÁN, Jiří. et al. *České slovenské a československé dějiny 20. století V.* Hradec Králové : Univerzita Hradec Králové, 2011, p. 245 – 247.

labor market evolution, etc. The most used typology of the welfare state is the model suggested by Danish theorist Gøsta Esping-Andersen in 1990, this typology is generally accepted. It was based on three different models of the welfare state can be distinguished not only in terms of model, but also in terms of geography. The first Liberal State (implemented in USA, Canada, Australia); the second Social-democratic State (implemented in Scandinavia, Netherlands) inspired primarily by the Beveridge model; the third Patriarchal or Conservative State (implemented in West Germany, France, Italy, and Japan) were inspired by the Brismarckian model an implemented mostly by Christian-democratic parties.¹⁰

In spite of this simple characterization of post-war CSR, we can include it in these conceptions. The concept of social policy in 1945 – 1948 is characterized by the institutional-redistributive model, which, that it has combined two typologies of the welfare state of Conservative and Social-Democratic. The subject of social policy was the state and the other voluntary organizations, associations had been nationalized during the years 1945 – 1948. The object of social policy where all citizens, the principle of universalism. The main goal was a redistribution of income, the universal service coverage without consideration of the labour market, it that had been caused ineffective management of financial and human resources and high burden on the state budget.¹¹

Czechoslovakia after World War II mainly solved the questions of post-war recovery. The social policy had to be helped for solving the situation and that's why the priority issues of social policy were an organization of work and workers, management and protection of work, labor deployment, etc. The social policy also dealt with the changes in social insurance, healthcare, opportunities for better housing and other social benefits.

For realisation, these tasks were important to the extensive organizational apparatus. The highest of the institution for social policy in CSR was the Ministerstvo ochrany práce a sociálnej starostlivosti [Ministry of Labour and Social Welfare] (hereinafter as MPSP), which was based in Prague. The MPSP had been solving the tasks associating with organization, protection of work and healthcare about workers; the Wage Policy; the Housing Care, the Social

¹⁰ ESPING-ANDERSEN, Gøsta. *The Three Worlds of Welfare Capitalism*. Princeton University Press : New Jersey 1991, p. 221.

¹¹ The genesis of welfare state typology is dealt with from the historiographical point of view by RÁKOSNÍK, Jakub. *Sociální stát jako kategorie výzkumu historické sociologie* (The Welfare State as a Category of Research in Historical Sociology). *Historická sociologie*, No. 1., 2009.

Insurance, the Social Security for children, young people, women and all citizens, etc.¹² The Minister was Jozef Šoltész¹³ and since 2. July of 1946 Zdeněk Nejedlý¹⁴.

In Slovakia, the highest institution was the Poverníctvo sociálnej starostlivosti [Commission for Social Care] (hereinafter as PSS), which was based in Bratislava. On the post of Minister was exchanged five persons from 1945 to 1948. The competences PSS were the tasks connected with organization of labour, also to protect the employee in relation to the employer. Further, very important tasks PSS was the management of social insurance, which was unified, and after that, it was prepared the National Insurance on the principle of universalism. The PSS was solving also tasks about safety children, young people, and women, for example, the building of social institutions (orphanages, nurseries, preschools, etc.), and the institutional care. The questions about housing care were the renovation and construction of residential homes. The other tasks were care about the war victims, repatriation and reemigrate. The all tasks were solved the individual of sections on the PSS.¹⁵

The social policy after World War II can be to decomposed to three main parts. The first part represented a traditional sphere and the social policy continued on the previous action. The second part represented of expanding the tasks of social policy and the third part worked with the leveling measures which had balanced differences between the social group's citizens. The Czechoslovakia's governments in 1945 – 1948 had been accepted the leveling measures in the areas of social insurance, pension insurance, old-age support, and others. Simultaneously, the Leveling had contribute to making the National Insurance. The Insurance until then provided protection only for certain groups of people and for the people of self-employed, peasants, craftsmen's, traders, students, housewives and others were not protected „*The citizens, employees are different insured at the same risks. Naturally, we can see a difference between social groups and also the insurance is not uniform, and that's why the insurance is more complicated and expensive.*“¹⁶ The experts of social policy spoke about insurance for all citizens, which it could be ensure about 95% - 97% in Czechoslovakia. They searched the rebuild of a social system in each phase. They wanted a unification by then institutions of social

¹² Ministerstvo ochrany práce a sociálnej starostlivosti jeho úlohy a pôsobenie. In *Sociální revue*, 1945, roč. 20, č. 1/2, s. 27. For more details see : KOŽÁKOVÁ, Katarína. Sociálne zabezpečenie na Slovensku – systém sociálneho poistenia v rokoch 1945 – 1948, p. 227.

¹³ Jozef Šoltész (1909 – 1977) The Communist Personality of Slovakia. From April 1945 to July 1946 he was a Minister of Labor Protection and Social Care. In *Všeobecný encyklopedický slovník S – Ž*. Praha : Ottovo nakladatelství, 2002.

¹⁴ Zdeněk Nejedlý (1878 – 1962) Czech politician, music scientist and historian, he was one of the ideologues of the Communist Party, also he was a Minister of Labor Protection and Social Care from July 1946 to February 1948. In *Všeobecný encyklopedický slovník M – R*, Praha : Ottovo nakladatelství, 2002.

¹⁵ It was these unions: labor protection, social security, social care to youth and weaker people, housing care, repatriation. In Bratislava Slovak National Archives (hereinafter as SNA BA), fund (f.) Povereníctva vnútra - všeobecný odbor (1945 – 1948), box (b.) 222. Rozvrh práce Povereníctva vnútra pre SNR pre sociálnu starostlivosť.

¹⁶ GALLAS, Jan. Národní pojištění v Československé republice. In *Československo*, 1945, č. 10.

insurance and created The Central National Insurance Company, and to expand of short-term insurance (sickness insurance) and to unificate of rations in all areas of long-term insurance (pension insurance).¹⁷

In years 1945 – 1948 the Governments¹⁸ of CSR had been preparing conditions of social insurance and they wanted it to put into practice in stages. By the expert committees, they prepared an outline of the laws, which it helped for a making of Social Policy. Though, at the end of 1946 and mainly during 1947 the preparing of the final wording of laws was influenced a bad political situation¹⁹ in the country and economic problems. In spite, they solved only the most important social needs and the other activities had to be suspended. In April 1947 the Ústředná rada odborov (Central Trade Union Council) wanted to approve the National Insurance Act, but unsuccessfully.

The National Insurance was presented as the ultimate phase of universalism. The project was conceived during the all reporting period. The few committees had worked on his proposal and the results had been comparing with the Beveridge report. The National Insurance united the insurance system and to eliminate differences between social groups in CSR. The Law was conceived from three parts and that the sickness insurance system (short-term insurance), the pension insurance (long-term insurance) and united all institutions of social insurance and created the National Insurance Company. They were insured for nearly 95% of the population. Nevertheless, the National Insurance Act was declared by the Communist Government in April 1948, which wanted to point out the generous policy of the new regime, because in February 1948 the Communist Garniture took power in the country.

The period of communism in Czechoslovakia, 1948 – 1960

In February 1948, the Communist Party took over power in the country, liquidated a pluralistic political system and took over the Soviet model of central planning, management, and nationalization. They had been creating a new mechanism, which should keep totalitarian power in the CSR. In this period started so-called the second transformation of social policy²⁰, which she characterized the centralization and etatization of social security, health services, labor and wage policies, housing and education policies. The social policy was subject to a new concept, but has continuously passed to a new regime. According to Czech historian Jakub

¹⁷ Ibid.

¹⁸ The Government on the headed by Social Democrat Zdeňek Fierlinger (6. 11. 1945 – 2. 7. 1946) elaborated outline of law about national insurance; and also the Government on the headed by Communist Klement Gottwald (2. 7. 1946 – 25. 2. 1948) declared, that gradually builds up a full system of social insurance, KK.

¹⁹ In this period the Communist leaders wanted to take power in the country, they did it in February 1948, KK.

²⁰ The first transformation of social policy we could find out in the previous period 1945 – 1948, KK.

Rákosník development of the welfare state in the reference period acts as a unified whole regardless of on the breakthrough in February 1948.

On 15 April 1948, the Government approved Act No. 99/1948 Coll. the National Insurance Act, it was the main moment of social policy. The Communist Party declared a generous social policy and a willingness to meet the demands of all citizens. The law insured nearly 95% of citizens and provided benefits mainly to workers but also to unemployed citizens. The law unified insurance and eliminated the differences between social groups. It dealt the system of sickness insurance, pension security, and general health care and also included the institutional unification of social insurance in the CSR.²¹

Sickness insurance covered serious social events, for example, working person's illness and their family members; motherhood including pregnancy, parturition, lying-in; or making a funeral for insured or his family member. The pension scheme provided assistance in the event of loss of breadwinner, death, disability, accident and old age. The insurance was paid to insured citizens and, in addition, they had been got also benefits in kind. Benefits in kind were institutional care, medical assistance, maternity care, dental care or infertility assistance, and others. The law paid attention to preventive care, especially for children and youthful.²²

The organization of national insurance was presented as a separate part of the law. The supreme institution was Ústředná národní poist'ovňa [Central National Insurance Company] (hereinafter as ÚNP), which was based in Prague. She had regulated all the parts of national insurance, she had published guidelines for the insurance, she had managed health care, she had kept records of the policyholders and others. The ÚNP had lower institutions the Národné poist'ovne [National Insurance Company] (hereinafter as NP), which were based in Prague, Brno, and Bratislava. They had helped her with to management of district national insurance companies, also they had decided about a payment to policyholders for injury, invalidity, death and they had managed hospitals and therapeutic institutions and others. However, the practical part carried out by district national insurance companies, which operated in each district in CSR.²³

The Act was conceived before on February 1948 and that's why wasn't suitable for the Communist Party, because he contained the social reforms mainly from the Western European

²¹ The insurance had covered private and public employees, workers, traders, business, farmers, doctors, writers and the other self-employed persons, and also had covered to cooperating family members, pensioners, unemployed citizens and civil servants working in the civil service, such as teachers and etc. The law contained the protection of children and their mothers. In Collection of Laws and Regulations of the Czechoslovak Republic 1948, Act No. 99 of 15 April 1948, the National Insurance.

²² Ibid.

²³ Ibid.

countries. The Government had limited activities of social institutions, and also had refused independence of social policy, which gradually had subordinated to a central decision. She increased demands of social policy, changed her and gradually had prepared and had applied measures restricting her the former function. The government also questioned the existence of ÚNP, because it did not correspond to the centralization of the state service. She canceled some voluntary organizations, too. Communist leaders argued that it is a political and a class perspective but above all, it was a higher state control.

The concept of social policy was gradually transformed from the end 1948. The big influence on the social policy had a political situation in the country, which advocated a „*sharp course against reaction.*“ The political course was changed in November 1948 by the Predsedníctvo Ústredného Výboru Komunistickej strany Československa [Presidency of the Central Committee of the Communist Party of Czechoslovakia] (hereinafter as ÚV KSČ) and by the start of the year 1949 negotiated the new concept of social policy. Document *Main principles and tasks of social policy in the first five-year plan*, which was prepared by the Minister for Labor and Social Welfare Evžen Erban, he focused on the wage and labor policy, labor protection and on the productivity of work in the five-year plan, also he wrote about the reorganization of the Ministry. The National Insurance Act couldn't resist change the political situation, the power pressure and the needs of the communist regime.²⁴

Criticism of the National Insurance Act culminated in the adoption of two laws; Act No. 102/1951 Coll. about on the rebuilt of national insurance²⁵ and Act No. 103/1951 Coll. about the healthcare²⁶ of 19 December 1951. On the base of which the system of national insurance was completely distributed, in practice it meant, the sickness insurance was separated from the pension insurance. The sickness insurance gradually passed to the factories and ÚRO, and the pension insurance passed to the State Pension Insurance Office. The Central National Insurance Company (ÚNP) as a public institution was abolished. Social insurance was financed by the employees and employers, but the after year 1951 it was financed by the national budget. National Insurance was nationalized and changed to social security.

In the following table is overview of expenditures to social security and to sickness insurance in Slovakia from 1948 to 1960.

Table No. 1

²⁴ KALINOVÁ, Lenka. *Spoločenské promeny v čase socialistického experimentu.* (Societal Changes in Time Socialist Experiment) Prague : Academia, 2007, p 141.

²⁵ Collection of Laws and Regulations of the Czechoslovak Republic 1951, Act No. 102 of 19 December 1951, the rebuilt of national insurance.

²⁶ Collection of Laws and Regulations of the Czechoslovak Republic 1951, Act No. 103 of 19 December 1951, the healthcare.

Expenditures to social security and to sickness insurance

| <i>year</i> | <i>expenditures to social security (millions Kčs)</i> | <i>sickness benefits to workers (millions Kčs)</i> |
|-------------|---|--|
| 1948 | 755 | 54 |
| 1950 | 973 | 123 |
| 1955 | 1 344 | 293 |
| 1960 | 2 483 | 492 |

Source: *Slovensko. Eud I.*, Bratislava, Obzor, 1974, s. 704.

Institutional and legislative changes occurred in the early 50s. The main area of social security was full employment and in this way, the government abolished „unnecessary“ social institutions, and also it was the reason, that a lot of experts of social policy had to leave from his profession. Ministry of Labour and Social Welfare (MPSP) was abolished and the government substituted him of the Ministerstvo pracovných síl [Ministry of Labor] (hereinafter as MPS). In Slovakia was also abolished the Commission for Social Care (PSS), the main tasks of social policy took over a newly established the Štátny a Slovenský úrad dôchodkového zabezpečenia [State and Slovak Pension Security Office]. District national insurance companies also ceased their activities. The government moved some social policy activities to relative institutions, for example, the Ministry of the Interior, the Ministry of Education, the Ministry of Health, trade unions or national committees. The Czechoslovak Labor Office and non-state social institutions were liquidated and created a new social system that was controlled by the Communist Party.²⁷

Social policy in the years 1948 – 1953 passed a partial rebuilding, what was connected by the political regime and the communist power, and also the economic plan. Government by the first five-year economic plan 1949 – 1953 increased of the industry and manpower. There had been a rapid growth employment in CSR. The reserves were looking for in agriculture, moving the manpower, employing women and young people and others. This situation was very complicated because the people had to move between regions and social groups. As a result of these events was reduction a personal consumption from 75,3% to 58,9%. Annual average the personal consumption grew by 3,6% and the social consumption by 16,3%. By the way, these social events also requested a lot of persons social and political persecuted.²⁸

²⁷ KALINOVÁ, Lenka. *Spoločenské promeny v čase socialistického experimentu*, p. 141 – 144.

²⁸ LONDÁK, Miroslav. *Otázky industrializácie Slovenska 1945 – 1960*. Bratislava : VEDA, 1999.

Social tension gradually began in 1951 due to the militarization of the economy in CSR. Simultaneously, it caused lack of standard commodity for citizens, a reduction in the allocation of certain types of food, a reduction to investment in the consumer industry, closing of factories, decrease of qualified staff, wage stagnation, a weak provision of services and others. Until 1953 the average real wages decreased by 12%. That was the reason for workers' dissatisfaction.

The national assembly passed a currency reform law on 30 May 1953 and influenced all citizens in the country. They expected that will stop inflation and reduce currency. The reform was initiated by Soviet advisors. It fixed the exchange rate at 5:1 for 300 Kčs per person in cash and for up to 5 000 Kčs in deposit in saving accounts. Salaries, wages, and cash were calculated according to the same formula. Remaining cash and deposits in banks were exchanged at a ratio of 50:1. The reform affected especially the workers and farmers, whose proportion of the savings was 79,65%. Protests against the reform erupted in strikes at 129 factories. Security forces arrested 472 persons. The ration system was canceled contemporaneously with the currency reform. These measures influenced the majority of citizens but the worst influence had on the multi-child families. Their standard of living decreased by more than a third, but workers families and peasant families lived also under a subsistence minimum.²⁹

Society protested against currency reform and the communists reacted on it by repressions. On the other hand, they had to make some changes in economic and social policy. The government had to stop the stagnation of living standards to overcome social tensions and had to increase personal consumption for all social groups, it was mean in practise that they decreased a retail prices and partially increased of living standards. In years 1954 – 1960 the retail prices were decreased by 24%, food by 18% and an industrial products by about 30%. The next step was in the area of labor income, which also increased. They also wanted to rebuild the sickness insurance, pension security, and to help to multi-child families, and to support residential construction.³⁰

The result of these compromises also changed the structure of consumption. In food decreased a part of cereals and potatoes, and increased consumption meat, fat, milk products and vegetables (Table No. 2). In households increased products of long-term consumption, for example, washing machines, refrigerators, radios, televisions, and other industrial products. Until 1960 the personal consumption (Table No. 3) gradually increased an average by 7% per

²⁹ For more information see. Ibid.; LONDÁK, M. Zmena ekonomického systému v Československu a na Slovensku po februári 1948 (The change of the economic system in Czechoslovakia and in Slovakia after February 1948). In PEŠEK, Jan et al. *Kapitolami najnovších slovenských dejín (K 70. narodeninám PhDr. Michala Barnovského, DrSc.)*. Bratislava : Prodama, 2006, p. 122.

³⁰ Ibid.

year. Besides that, the working time was reduced from 48 to 46 hours per week. The dominant motive of economic plans was the satisfaction of citizens and the raising of living standards. In the years 1953 – 1956, the economic, price and wage measures increased the personal consumption of citizens, which they never achieved again. The government partially satisfied the citizens, also had overcome the main sources of social tensions, but deeper social problems were not solved.

In the following tables are indicators of food consumption and personal consumption in Slovakia, and also with comparison Czech.

Table No. 2

Food Consumption on the person in Slovakia

| <i>kind of products in kilograms</i> | <i>1936</i> | <i>1948</i> | <i>1953</i> | <i>1955</i> |
|--------------------------------------|-------------|-------------|-------------|-------------|
| <i>meat</i> | 21,1 | 17,8 | 29,5 | 29,8 |
| <i>fats and oils</i> | 9,3 | 7,0 | 10,7 | 12,4 |
| <i>milk</i> | 164,0 | 111,0 | 140,6 | 152,5 |
| <i>cheese</i> | 0,6 | 0,7 | 1,4 | 1,5 |
| <i>wheat flour</i> | 101,5 | 75,4 | 108,5 | 109,9 |
| <i>bread</i> | 92,4 | 85,2 | 95,3 | 88,5 |
| <i>sugar</i> | 15,2 | 18,7 | 23,0 | 28,9 |

Source: *Dejiny Slovenska VI (1945 – 1960)*, Bratislava : Veda, 1988.

Table No. 3

Personal Consumption on the person (Kčs)

| <i>year</i> | <i>1949</i> | <i>1955</i> | <i>1960</i> |
|---|-------------|-------------|-------------|
| <i>CSR</i> | 4 527 | 6 076 | 7 995 |
| <i>Czech landscapes</i> | 4 957 | 6 645 | 8 616 |
| <i>Slovakia</i> | 3 470 | 4 715 | 6 430 |
| <i>difference between Czech landscapes and Slovakia</i> | - 1 487 | - 1 930 | - 2 186 |

a. prices in 1955

Source: *Polstoročie Slovenska v spoločnej vlasti. Štatisticko-ekonomický prehľad*, Bratislava, 1969.

The following table contains the indicators from Slovakia, which also are compared with Czech landscapes. Data are converted on the person in 1948 – 1960. The index for the Czech lands is 100.

Table No. 4
Slovakia in comparison with Czech landscapes.

| <i>indicator</i> | <i>1948</i> | <i>1955</i> | <i>1960</i> |
|------------------------------------|-------------|-------------|-------------|
| <i>retail turnover</i> | - | 74,0 | 76,6 |
| <i>personal consumption</i> | 82,3 | 76,3 | 82,3 |
| <i>social consumption</i> | 59,8 | 69,2 | 71,0 |
| <i>income of the population</i> | - | 69,0 | 74,7 |
| <i>average monthly gross wage*</i> | 91,6 | 94,6 | 96,7 |

* without members farmers

Source: *Dejiny Slovenska VI (1945 – 1960)*, Bratislava : Veda, 1988.

Slovakia was at a lower level than Czech landscapes, and each indicator in the table did not exceed the index 100. We can see that the standard of living in Slovakia had changed at least, but we know, that occurred to housing construction and too many social benefits which helped to increased the standard of living also in Slovakia. Nevertheless, during the reference period in Slovakia overcame some backwardness and a gradually approaching to Czech landscapes.

Simultaneously the social policy passed several stages resulting from social changes, which responded by new legislative measures. The first step was the Act No. 55/1956 Coll. about Social Security from 30 November 1956, it was the change opposite to Act of National Insurance from the year 1948, and the laws No. 102 and No. 103 from the year 1951 (see above). „*Benefits and services are provided by the state and the employees do not pay for them*“ it was the basic idea of the new law. The principle of insurance was formally abolished, but the insurance of employees was related to a payroll tax. Wages of sickness benefits were unified and the wages during sick leave for state and public employees were canceled. These employees got sickness benefits as workers. For the first time, the professions were divided into three categories according to the importance and severity of the work and from what depended on the payment pensions. It also introduced so-called personal pensions for the deserving workers.

The number of pensions depended on work conditions and also from political preferences. The retirement age for women was 55 – 57 years, depending on the number of children. Social benefits and services were financed by the taxes citizens and business levies, but in reality, it is considered an unfortunate Soviet import for the Czechoslovak Society.³¹

Social security was extended also for citizens in need. It was a novelty in the act, and it was a change of meaning about social security. Principally, it was persons with the change of working abilities, such as the older or sick citizens, the persons with health damage which they had provided them preferentially working place, and also constitutional provision, services, and some benefits. However, the Act of Social Security had a similar timing than the Act of National Insurance, because was accepted during the specific period. World events in 1956 had a big influence also for CSR. Mainly, detecting illegalities at XX. Congress Communist Party of the Soviet Union had provoked a social crisis. The Communist Party of CSR wanted to keep power in the country and the social policy was also helpful.

The following tables show the cost of sickness benefits in Slovakia and the progress of pension security in Slovakia until 1960.

Table No. 5
Cost of sickness benefits in Slovakia (millions Kčs)

| <i>indicator</i> | <i>sickness insurance for workers and members of production cooperatives</i> | | | |
|---|--|------|------|-------|
| | 1948 | 1950 | 1955 | 1960 |
| <i>sickness</i> | 54 | 123 | 293 | 492 |
| <i>support for treatment the member of family</i> | - | - | - | 7 |
| <i>maternity allowance</i> | 5 | 11 | 36 | 87 |
| <i>childbirth support</i> | 17 | 46 | 50 | 46 |
| <i>funeral allowance</i> | 3 | 17 | 3 | 4 |
| <i>child allowances</i> | 190 | 297 | 825 | 1 450 |

³¹ Collection of Laws and Regulations of the Czechoslovak Republic 1956, Act No. 55 of 30 November 1956, the social security. RÁKOSNÍK, Jakub. *Sověťizace sociálního státu. Lidově demokratický režim a sociální práva občanů v Československu 1945 – 1960* (Sovietisation of the Welfare state. Popular democratic regime and social rights of citizens in Czechoslovakia 1945 – 1960). Prague : Filozofická fakulta Univerzity Karlovy, 2010, p. 76.

| | | | | |
|-------------------------|----|----|----|----|
| <i>other allowances</i> | 2 | 16 | 28 | 0 |
| <i>spa care</i> | 23 | 44 | 50 | 82 |

Source: Štatistická ročenka ČSSR 1973.

Table No. 6

Progress of pension security in Slovakia

| <i>indicator</i> | 1948 | 1950 | 1955 | 1960 |
|--|------|------|-------|-------|
| <i>number of pensions (thousands Kčs)</i> | 242 | 372 | 437 | 548 |
| <i>benefits of pension security (millions Kčs)</i> | 546 | 974 | 1 229 | 2 300 |

Source: Štatistická ročenka ČSSR 1973.

Management of decentralization, changes in workers' wages, expansion of housing construction, development of paid services we can see mainly in the late 1950s. The Communist leadership sketched a line for completing socialism in April 1958 and by the new Constitution confirms the victory of socialism in 1960, and also preparation for communism. The National Assembly approved the Five-Year Economic Plan (1961 – 1965), which set a high level for economic growth (principally development of heavy industry), but on the other hand, the working time should be shorter. The economic growth used extensive factors, which had gradually exhausted. Problems were showed up in the material, import and labor sectors, and they did not accept also other factors, such as new conditions foreign trade or not enough qualitative aspects.

During the reference period, after February 1948, communist power had applied various instruments of power (persecution, ideological and social manipulation). However, the Communist Party promised to citizens social justice and equality, but in practice had a specific character, for example, even at the cost of suppression social or political freedom (political prisoners and their families including children did not get some benefits of social security). The idea about social justice in practice often meant absolutizations of social security at the expense of democratic freedom and free economic initiative, liquidation of the sovereignty of social subjects, which eventually resulted that social security had dependent to the political power. Nevertheless, social security for citizens was the positive page of the communist regime. They provided it gradually for all citizens and existed in its privileges and discriminations. The communist regime also provided for own citizens the system of social security – employment, health care, child allowance, pension security and others. This reality was perceived as very

positive by the citizens. On the other hand, communist power was a very strong and social system meant for citizens' economic, social and existential dependence on political power.

Conclusion

Security, employment opportunities, just reward, basic social incomes and social services for all were attributes of the modern social policy, which emerged after World War II. This phenomenon did not concern only the CSR, but almost the whole of Europe. However, its theorist were already conceived and worked out in detail during the war. The model of welfare state, social policy came from Great Britain, which the government of the post-war CSR reflected. The Košice Government Programme agreed between the Slovak and Czech sides, already promises a generous social policy and social care for all groups of working people. The new concept of social policy was based on universalism and a system of full employment secured by nationalization, state regulation of the market and state organization of labour. Employment and social security policy were among its most important priorities. Also, in years 1945 – 1948 the Governments of CSR had been preparing conditions of social insurance. By the expert committees, they prepared an outline of the laws, which it helped for a making of social policy. But on the other hand, the Communist Party in CSR (not in Slovakia) was a stronger in this period 1945 – 1948, and they were active in all areas of social life. By the start of the year in February 1948 the Communist Party provoked a government crisis and they definitely took power in the country. They also presented their power by the adoption of the National Insurance Act, which had demonstrated a generous of social policy. However, we have to realize, that the social policy was subject to a new concept, but has continuously passed to a new regime and gradually had adapted to the needs of the Communist Party.

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