

THE FORMATION OF THE CZECHOSLOVAK ECONOMY (1918 – 1920)

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The Czechoslovak Republic was proclaimed in October 1918. The new state united the Czech Lands, which had relatively well developed industry and agriculture, with backward mainly agrarian Slovakia. There were already ideas of territorial or political union of Slovakia and the Czech Lands in the period before the First World War. However, there was no definite “program” by which their economic unification could be more deeply considered. The need to work out a “program” to solve the problems connected with the adaptation of Slovakia and the Czech Lands to the new conditions in the economic field was not really felt even in the period immediately after the formation of the new state. The problems that began to appear in the running of the economy were mostly attributed to the transition from wartime conditions to peace, or to faults in the work of the bureaucracy. The post-war economic crisis brought a reversal of this view. The Slovak political representatives strove to use not only parliamentary, but also other means to pursue their demands. On the initiative of Slovak political circles, the activity of chambers of commerce and industry was revived, and the Central Association of Slovak Industry and various other institutions were established. However, their legal powers were limited, and so their activities were more or less limited to solving the current operational problems.

The Origin of Czechoslovakia. Unification of Slovakia with the Czech Lands. Economic Problems. the Post-War Economic Crisis.

The problem of the economic development of Czechoslovakia in the inter-war period is still a topical field for historical research. Knowledge of the past internal economic developments and the place of Czechoslovakia in the world economy enable us to achieve a better understanding of the present economic situation and to solve the problems we encounter. Study of the inter-war period shows that in spite of the progress of research, there are still many inadequately researched areas. We will endeavour to clarify some of them in this paper.

The demand to solve regional economic problems began to be raised in this period. The post-revolution generation showed greater empathy towards social injustice, while backward regions did not want to accept the fate of being poorer, but strove for a more equal position. The problem of backward regions in a country is rather relative. This is shown by the fact that we encounter the problem of backward regions in all countries, although they have various positions on the ladder of economic development. The fact that the term “less developed region” covers a whole range of regions, which reach different economic levels in relation to the overall level of development of their state, significantly influences the approach to overcoming their backwardness.