

Special Edition on Central European Elections

IN THIS SPECIAL EDITION
OF *CENTRAL EUROPE
DIGEST*:

**Assessing the
Czech Elections**
Jan Jireš - 1

**Hungary: Back
to the Future?**
Edward Lucas - 4

**Issue Brief No. 113:
The Slovak Elections:
Bratislava Wakes
up on the 'Right'
Side of the Bed**
Robert Kron - 6

**Polish Presidential
Election: The
Perfect Storm**
Natalia Buniewicz - 9

Assessing the Czech Elections

By Jan Jireš

Executive Summary

The May 28-29 general election in the Czech Republic represents the most dramatic shake-up of the Czech party system since 1996. It produced a surprising defeat for left-wing parties and delivered an unexpectedly large center-right majority in parliament. This increases the prospects for a fiscally responsible and politically Atlanticist Czech government, one that should be able to implement reforms delayed by a decade of weak cabinets and small parliamentary majorities.

What happened?

In March 2009, the Czech center-right government stepped down following a vote of no-confidence initiated by the left-wing opposition, toppling the government in the middle of the country's European Union (EU) presidency and a few days before President Barack Obama's visit to Prague. A caretaker government led by the country's chief statistician,

Jan Fischer, was swiftly formed. During its time in office, Fischer's team of technocrats, experts and diplomats were not engaged in politically sensitive issues or in implementing long-term policies.

Opinion polls conducted in April and early May 2010 indicated the left-wing Social Democrats would win approximately 30 percent of the vote, with the right-wing Civic Democrats (ODS) trailing with around 20 percent. Based on these projections, the Social Democrats hoped to win enough parliamentary seats to form a minority government with tacit support from the Communists. Under such a government, the country would likely shift away from NATO and the United States and reduce the Czech contribution to EU and NATO overseas missions, reversing the strong spirit of internationalism and Atlanticism that has dominated Czech foreign policy for two decades.

But Czech voters gave Social Democrats a far smaller percentage of votes than expected. As soon as the election results were announced, the three center-right parties started negotiations to form a coalition, and if successfully concluded, the new government would enjoy the strongest majority of any Czech government since 1992.

Why was this vote significant?

The election result represents the most dramatic shake-up of the Czech party system since 1996. Both large parties, the Civic Democrats and Social Democrats suffered from public perceptions of corruption and cronyism. Surprisingly, the protest vote did not benefit the Communists, as many analysts had anticipated, but instead helped two new center-right parties (TOP09 and Public Affairs), which pledged to fight corruption and impose fiscal responsibility.

The Greek debt crisis also contributed to the strong showing of the center-right parties and the fall in left-wing support. The Civic Democrats and TOP09, for example, portrayed the Social Democrats as irresponsible welfare spenders who would inevitably lead the country down the Greek path.

What will the new government look like?

The prospective center-right bloc, composed of ODS, TOP09 and Public Affairs, will have a more-than-comfortable majority of 118 seats in the 200 seat parliament. Importantly, two out of the three center-right parties which will likely form the new coalition (TOP09 and Public Affairs) are recent entrants in the Czech political arena. This has raised some doubts over the government's cohesion and predictability.

ODS – Civic Democrats

Strongly Atlanticist, the party was the main Czech supporter of the George W. Bush Administration's

plan to install components of the U.S. missile shield in Central Europe. Since 2006, the party has gradually discarded much of its EU-skepticism and moved back to the internationalist-orientated Czech mainstream. The party's foreign policy is currently led by the Czech Atlanticist-in-chief Alexandr Vondra, who will likely serve as defense minister in the new government. While the party may be tempted to shun the Obama administration while waiting for a future Republican administration, ODS will still defend a close transatlantic link and support NATO missions regardless of who lives in the White House.

TOP09

Tradition, Responsibility and Prosperity (TOP09) was established in 2009 under the leadership of the popular ex-Foreign Minister Karel Schwarzenberg and former Finance Minister Miroslav Kalousek. The majority of senior party members are experienced politicians, a mixed blessing, from established parties, most often the Christian Democrats. The party ran on an ostentatiously anti-populist ticket, promising "sweat and tears" by cutting welfare benefits, balancing public finances and reforming the country's pension, healthcare and education systems. In foreign policy, the party represents the traditional internationalist "Havel consensus," espousing close relations with Washington and Brussels as two indispensable pillars of Czech foreign policy.

VV – Public Affairs

VV is the weakest link in the new center-right coalition, essentially a protest party recruiting disillusioned right- and left-wing voters. Most senior party members are little-known newcomers to politics. While these factors represent a potentially serious source of instability in the new coalition, the government's strong parliamentary majority could act as political ballast. On foreign policy, VV

represents the internationalist “Havel consensus” in textbook fashion and views the task of renewing the Czech Republic’s reputation as a reliable member of NATO and the EU as a top priority. The party also proposes increasing the number of Czech troops serving in out-of-area operations.

What’s Next for U.S.-Czech Relations?

The new center-right government will be strongly internationalist, Atlanticist and supportive of U.S. efforts to halt nuclear proliferation in Iran, while striving to stabilize Afghanistan and strengthen NATO. Simultaneously, the new government will be pro-EU, considering European integration and transatlantic alliance as two equally important and indispensable anchors. The foreign policy programs of all three parties are almost identical, seeking to reaffirm NATO’s Article 5 collective defense clause in the alliance’s new Strategic Concept, though they remain vague on how exactly this should be done. Likewise, all seek greater Czech participation in NATO and EU crisis management missions and plan to improve the Czech reputation in NATO and the EU.

Coincidentally, foreign policy agendas of the three parties are represented by strongly Atlanticist leaders who are all connected to the Havel-led foreign policy of the 1990s – Alexandr Vondra, Karel Schwarzenberg and Josef Zieleniec. It is remarkable that the old Havel establishment will now, in 2010, again assume full control of the country’s external relations.

The new government should, however, be inclusive and engage the Social Democrats in building a stable, long-term foreign policy consensus that will survive the next election. For the new government to avoid the chaos of the past two years in Czech foreign policy, the Social Democratic party should be respected as an equal partner.

CENTRAL EUROPE DIGEST is a monthly publication of the Center for European Policy Analysis (CEPA), a Washington, DC-based research institute devoted to the study of Central Europe. Material published in the *Digest* is original, exclusive to CEPA and not reproduced from outside sources.

Center for European Policy Analysis
1155 15th Street, NW
Suite 550
Washington DC, 20005
www.cepa.org

© 2010 by the Center for European Policy Analysis, Washington, D.C. All rights reserved.

Hungary: Back to the Future?

By Edward Lucas

Muddled economics at home and clumsy populism abroad: these are the political poltergeists that plague Victor Orbán, now back as Hungary's prime minister following the election triumph of his right-of-center FIDESZ party in April. The big question is whether he has banished them or whether, as during his first stint as prime minister from 1998-2002 and often during the years since, when he was leader of the opposition, they will haunt his image, damage Hungary and strain his friends' patience and loyalty.

The early signs were not encouraging. The new government moved swiftly to liberalize Hungary's law on passports. In the past, ethnic Hungarians wanting citizenship had to live in Hungary. Now they can apply from anywhere. That incensed Slovakia, home to some 500,000 Magyars and itself a country all too prone to populist exploitation of historic and ethnic grievances. Slovakia reacted by saying that any citizen acquiring a Hungarian passport would automatically be stripped of their Slovak one.

Joining the European Union (EU) was meant to squelch such ancient squabbles. Many outsiders had assumed that Mr. Orbán's tough talk about redressing the historic wrongs done to Hungary was just for public consumption: few thought he would start picking fights with his country's neighbors.

But on June 4th Mr. Orbán's spokesman Péter Szijjártó and government colleagues opened a second front, alarming the financial markets by comparing Hungary's economic plight to Greece's

and saying that it was no exaggeration to talk about default. The forint tumbled and the cost of insuring Hungary's foreign debt (over 70 percent of GDP) skyrocketed. The ill-conceived rhetoric reawakened investors' fears about the rest of the region too.

Admittedly, government gloom-mongering is a well-known strategy for concentrating minds and preparing the public for belt-tightening. But this tactic was clumsy, especially given doubts about Mr. Orbán's approach to economics. His last spell in government ended in a ruinous spending splurge as he tried and failed to gain re-election, highlighted by a flaky economic program in the 2005 election that contributed to his loss. This election campaign was marked by vague talk and extravagant predictions. He has publicly clashed with the well-respected and hawkish governor of the National Bank of Hungary, András Simor.

Now the flurry of worry has receded. The government released a 29-point economic program which included a promise to try to meet this year's deficit target of 3.8 percent of GDP and to bring in a 16 percent flat tax on incomes. Some of its elements look gimmicky or counter-productive, such as a special 200 billion forints (\$883m) levy on banks. But the outlines were enough to restore confidence.

Another U-turn followed. Having denounced the previous government for going to the IMF for help (and accepting the emergency austerity program that went with it) Mr. Orbán's government said on June 17th that it would like to extend the \$25.1 billion loan when it expires in October. On the same

day, it easily sold 50 billion forint (\$222 million) of government debt and attracted bids for twice the planned amount, albeit at a slightly higher price than it would have before the blip: the average yield was 7.01 percent, up from 6.33 percent on June 3rd. Those higher borrowing costs will be a small but unwelcome burden on Hungarian taxpayers in the months ahead.

Business may not be quite as usual, but barring a big external shock (such as foolish market-spooking government statements) Hungary's economy is not in a desperate state: debts are big, but repayments are manageable. The weakest link is the big debts by firms and households held in Swiss francs and euros, borrowed from foreign owned banks in the expectation that the forint would join the euro (something that has now receded to the second half of the decade). The government wants to ban these. But avoiding careless talk that undermines the value of the forint will be a good way of helping existing borrowers avoid bankruptcy.

In short, assuming that demand in German export markets and elsewhere recover, nobody need panic. Hungary does need radical reform of public spending (especially pensions and benefits) plus sweeping changes in the labor market and to broaden and simplify the tax base. Mr. Orbán has yet to show the political will to push these through: but they are medium-term challenges, not urgent ones.

With Hungary's opposition in disarray, Mr. Orbán is rather short of enemies to blame for the country's problems. Now he has just lost another. The outgoing Slovak government of Robert Fico was a perfect butt for his rhetoric, passing a much-criticized language law that criminalized the use of Hungarian in some parts of public life. One of the coalition partners, the Slovak National Party, was

explicitly racist; Mr. Fico used some pretty seamy rhetoric too, implying that Hungarians were closet fascists. All that was grist to Mr. Orbán's mill.

But Slovak voters have now put a four-party coalition into power that has a different approach. One of its members, Most-Híd (its name is the Slovak and Hungarian words for "bridge") is explicitly committed to ethnic reconciliation. Mr. Orbán had given strong political support to the established Hungarian party in Slovakia, SMK, which failed to get into parliament. Another party is a supporter of radical free-market economics. The likely prime minister, Iveta Radičová, says the Slovak law on passports should be scrapped.

The importance of ending these squabbles goes well beyond Hungarian-Slovak relations. Thanks to renewed Polish interest, the Visegrád group of central European countries has been reborn, just in time for 2011 when Hungary and then Poland will have six-month stints in the rotating presidency of the EU. That offers a rare chance to show that ex-communist countries can run things properly (the Czech presidency in 2009 was a fiasco, thanks to the government's collapse half way through, while the Slovene stint in the top job passed almost unnoticed). The Hungarian-Polish presidency could shift the center of decision-making eastward, bringing renewed EU attention to vital issues such as energy security and relations with ex-Soviet countries such as Ukraine, Belarus, Moldova and the Caucasus. It would also help dispel the notion that the EU is a French-German cabal run from Brussels.

It is not just Mr. Orbán's long-suffering friends who hope that his government will now concentrate on the big tasks facing Hungary and leave the bad habits of the past once and for all.

Issue Brief No. 113: The Slovak Elections: Bratislava Wakes up on the 'Right' Side of the Bed

By Robert Kron

At a press conference following the June 12th Slovak Parliamentary elections, likely soon-to-be Prime Minister Iveta Radičová proclaimed: “Good morning Slovakia! Change is within reach.”

Coming just days after a similar election outcome in neighboring Czech Republic, the Slovak election resulted in a pyrrhic victory for current Prime Minister Robert Fico’s center-left Smer-SD (Direction-Social Democracy) party, which picked up 35 percent of the votes, leaving it the largest party in the National Council (Slovakia’s Parliament), but without sufficient numbers to form a government coalition. As a result, the five up-to-now opposition parties will form a center-right government led by Radičová’s Slovak Democratic and Christian Union (SDKÚ).

Change is now the only certainty for Slovak domestic and foreign policy. What is not certain is what that change will look like – and what it will mean for relations between Washington and Bratislava. With the weltering state of Slovak politics, policymakers in the United States should take note.

Danubian U-turn

Since the dissolution of Czechoslovakia in 1993, Slovakia has undergone tremendous political and economic transformations. Under the stewardship of Prime Minister Mikuláš Dzurinda (1998 – 2006), Slovakia became one of Europe’s “economic tigers,” reporting the highest economic growth rate in Europe and successfully acceding to both the

North Atlantic Treaty Organization (NATO) and the European Union (EU), firmly stitching the country into the transatlantic institutional fabric. Despite its smaller size and inferior economic position, Slovakia was the first of the Visegrád states to join the Euro-Zone in 2009, making it one of the initial countries – along with Slovenia – of the new EU member states to achieve Euro adoption. This activism locally (Visegrád Group), regionally (the EU) and internationally (NATO and the UN) gave Slovakia an unexpected geopolitical footprint.

But the past four years of Slovak governance have brought many changes. Under Prime Minister Fico (2006-2010), Bratislava has become increasingly mired in domestic politics and retreated from the staunch Atlanticism of the Dzurinda years. Increased state intrusion and the global financial crisis have downshifted the high economic growth rate and served to raise an already mounting state debt. Government media clamp downs and accusations of corruption and cronyism raised fears about the return of ‘Mečiarism’ – a particular brand of Slovak populist nationalism following independence. Pressure from Fico’s right wing coalition partners, the Slovak National Party (SNS) and Movement for a Democratic Slovakia (HZDS), also led to increased tension with neighboring Hungary – over the state of the sizable Magyar minority in Slovakia; and with Western European partners – over Kosovo and the Lisbon Treaty. Finally, the government’s Moscow friendly policies have allowed increased Russian penetration of the Slovak energy market, leaving Bratislava vulnerable to politically motivated cut offs, as seen in the 2009 Ukrainian gas crisis.

Collectively, these changes have removed Slovakia from many negotiating tables as some (often unfairly) began to view Bratislava as a spoiler, not a leader. Consequently, the view from Washington tended to be that Bratislava was on auto-pilot at best and an increasingly radical nuisance at worst. In the lead up to the election, few recognized the significance of the elections on the future of U.S.-Slovak relations.

SLOVAKIA'S SIZE AND LOCATION LEAVE IT WITH LIMITED GEOPOLITICAL OPTIONS.

Atlanticist Renaissance?

Strategically, Slovakia – the only member country to share a border with all of the Visegrád Group (V4) states – serves as an economic conduit to Austria and Western Europe via the Danube. It straddles the periphery of Europe's new frontier through its proximity to Ukraine, positioning it as a vital link between the East and West and as a crucial transit state for Eurasian energy shipments. Ultimately, irrespective of the ideological slant of the government, Slovakia's size and location leave it with limited geopolitical options:

1. *European Keystone*: As a neutral, introspective and commercially minded state, Slovakia could act as an intra-EU facilitator between Old and New Member States, a bridge between the EU and Eastern Europe and the interlocutor between the United States and the Visegrád Group. Like Costa Rica, which plays a similar role in Central America, Bratislava could exchange foreign policy interests for the implicit security guarantee offered by acting as a non-threatening middleman.

2. *Small Power Free-Rider*: Cognizant of its position, Slovakia could opt to hedge its position by accommodating a range of greater powers. As a non-committal, opportunistic and risk averse state, with the leverage of being a potential spoiler, Bratislava could keep a low-profile and focus on domestic politics while simultaneously auctioning its interests to extract *quid pro quo* benefits from Washington, Moscow and Brussels.

3. *Niche Specialist*: Alternatively, Slovakia could use its position to carve a specialized niche for itself within the transatlantic community. By investing in an area of specific comparative advantage, Slovakia could ensure its continued visibility and relevance, raise its intra-alliance net worth and better achieve its primary foreign policy interests by building up long-term political capital with the United States and the EU.

Though many feared a stronger second mandate for Fico would firmly place Slovakia on the second path and sound the death knell for Slovak Atlanticism, today the state instead finds itself at an unexpected geopolitical crossroads. The incoming center-right government has the political DNA to repair Bratislava's shrunken image in Washington. The unique Visegrád constellation of four center-right and pro-Atlanticist governments opens an opportunity for a renaissance in U.S.-Central European relations and in turn could breathe new life into an introspective Europe and a confused transatlantic relationship.

Seizing the Moment

Both Washington and Bratislava now have an unexpected window of opportunity and would do well to seize the momentum.

If the neighboring Czech elections were important to preserve a legacy (the Havel consensus) then Slovakia's were important to prevent the return of

one: Mečiarism. The new government should strive to regain its hard-won image of the mid-2000s and reorient Slovak foreign policy.

First, the government should live up to election promises by tackling corruption and implementing market friendly policies to curb Slovakia's rising debt and entice foreign investment – a major reason for Slovakia's economic success.

Second, the new government should take steps to ease tensions with Hungary. Ethnic Hungarian Slovak voters overwhelmingly opted to support the more moderate Most-Híd Party (8.12 percent), which represents the Hungarian minority but favors intra-ethnic cooperation, to the radical Hungarian Coalition Party (which did not reach the five percent threshold to enter parliament). This shows a rejection of both the Fico government's increasing radicalization and destabilizing Hungarian entreaties (such as offering citizenship to Slovak Hungarians). Radičová should live up to her campaign promise and repeal the recently-passed Slovak law forbidding dual citizenship before the situation escalates any further. Failure to diffuse strains in Slovak-Hungarian relations will have wider implications beyond the bilateral, by extinguishing any chance of the Visegrád Group living up to its recently reawakened potential. Central Europe is rediscovering the value of the V4 as an institutional fail safe/bulwark on the one hand, and as a platform for dialogue and cooperation between the region and larger neighbors – the EU, the United States and Russia – on the other. Stifling this momentum would be a wasted opportunity.

Finally, the new government should strive to rebalance Slovak foreign policy. In the EU, Slovakia should use its status as an energy conduit not as leverage, but to take the lead on promoting European energy security and solidarity as a defense against potential supply cutoffs. Regarding

Washington, Bratislava should move away from the politically motivated anti-American rhetoric of the previous government. While Slovakia has been a reliable partner in Afghanistan, recently upping its troop contingent, the populist rhetoric of Prime Minister Fico served to damage Slovak standing in the United States, unnecessarily straining the relationship.

For its part, Washington should not sit by and idly observe. The return of a confident, assertive and Atlanticist Slovakia would help to advance U.S. interests in Central Europe. All four Visegrád states have Atlanticist governments with comfortable parliamentary majorities and, strained by fears over the "reset" with Russia, are ready to renew engagement with Washington. Investing attention and political capital now could help bring about one U.S. goal, Central European activism and leadership, which would directly lead to another: a more robust EU.

The U.S. Senate should expeditiously confirm the White House's nominee for Ambassador to Slovakia. Once in place, the Administration should schedule a high level state visit to demonstrate Washington's desire to renew U.S.-Slovak relations and engage the incoming government. Additionally, Washington should encourage Slovakia to invest in the fragile Visegrád Group revival. Finally, the United States should encourage Slovakia to lead the charge on European energy security, an area in which it can repair its image and simultaneously meet a key security interest.

With the incoming Slovak government promising change, rebuilding ties with Central Europe's born-again Atlanticists should be a priority for Washington. Ignoring this opportunity could have long-term implications for wider U.S. regional policy. If "change is within reach," the United States should play its part in making it happen.

Polish Presidential Election: The Perfect Storm

By Natalia Buniewicz

Executive Summary

In yesterday's presidential election, Polish voters preferred Civic Platform (PO) candidate Bronisław Komorowski to Law and Justice (PiS) candidate Jarosław Kaczyński by a mere 4.5 percent margin, shattering the 15 percent margin that polls predicted. However, the biggest surprise came from Democratic Left Alliance (SLD) candidate Grzegorz Napieralski, who received 13.7 percent of the vote despite the general vacuum in Poland's political left. Because no candidate received over 50 percent of the vote, the top two candidates – Komorowski and Kaczyński – will go head to head in the July 4 run-off election.

Re-writing the Rules

Yesterday, Polish voters cast their ballots in a somber and historic election precipitated by the Smoleńsk air disaster. This election cycle has been characterized by a turbulent series of events: Prime Minister Donald Tusk's decision not to run for president; Marshal of the Sejm Bronisław Komorowski's victory in Civic Platform's (PO) "American-style" primary election; and, most importantly, the death of President Lech Kaczyński. In the first round vote, Law and Justice (PiS) candidate Jarosław Kaczyński placed a mere 4.5 percent behind Komorowski, shattering the 15 percent margin predicted in pre-election polls. If PO candidate Komorowski prevails in the July 4 run-off election as analysts predict, his presidency could profoundly impact the political landscape, presenting PO with opportunities – and challenges – while giving the once-faltering PiS party a chance to regroup and consolidate its position.

Just a few months ago, with a PiS president low in the polls, few doubted the next election would bring a PO presidency. But this election cycle's game-changing events have combined in PiS's favor. Steps to soften his image and a wave of popular sympathy gave Jarosław Kaczyński a sharp boost in popularity after he announced his candidacy to continue his late twin brother's legacy. Meanwhile, PO candidate Komorowski was forced to juggle his roles as acting president, Marshal of the Sejm and presidential candidate, generating criticism on all fronts. Unprepared to wage an abbreviated campaign amid a climate of national mourning, Komorowski had to tread lightly on criticism of PiS or risk allegations of insensitivity. Though still positioned to win the July run-off election by attracting many of SLD's supporters from the first round, PO has faced stronger PiS opposition than was thought possible just a few months ago.

Whither PiS?

Should Komorowski prevail on July 4, PiS will have until the October 2011 parliamentary elections to further redefine its agenda and consolidate its political message. Historically viewed as a strongly anti-Russia party, PiS began to adopt a more pragmatic approach toward Russia even before the Smoleńsk disaster last April. At the time of his death, the late president was traveling to deliver a conciliatory speech at a commemoration of the Katyń massacre in Russia. His twin brother delivered a moving message thanking the Russian people for their support following the crash.

Unlike PO, which has always been explicitly pro-business, PiS has positioned itself as guardian of

middle class and agricultural interests. During the campaign, however, Kaczyński called for a new economic strategy for Poland focused on business development. Previously a proponent of swift euro adoption, PO has delayed and deprioritized monetary integration in light of the Greek crisis. As a result, the platforms of the parties have become closer. If PiS continues the trend of moderation and remakes its image into something other than the “party of Smoleńsk,” it may attract voters in 2011.

PO - Opportunities and Challenges

If he is successful in the second round, a Komorowski victory could ultimately break the legislative gridlock that existed under a PO government tied to a PiS president armed with a veto. As a result, PO will have an opportunity to fulfill a number of legislative promises, including constitutional, fiscal and market reforms. For example, PO is likely to enact its proposed finance reform bill to accelerate privatization, cut the public debt by capping discretionary spending and limit pension benefits for some groups. Ironically, however, a Komorowski presidency could also create challenges for PO. Under the constitution, the president enjoys a popular mandate but lacks significant formal powers. Because a veto is virtually the only avenue by which a president exercises power, the structure encourages the role of a spoiler. This friction inherent in the Polish constitution could aggravate any tensions of personality that may exist below the surface of PO’s leadership.

Additionally, a PO victory will not resolve deeper issues in the Polish political landscape. Poland lacks a viable political left – despite Napieralski’s surprisingly strong 13.7 percent finish – and the dominance of center-right and far-right parties does little to encourage moderation. More importantly, as PiS and PO policies on foreign affairs and the economy converge, the true platform of each

party becomes more difficult to ascertain. PiS and PO differ in their interpretations of Polish identity – is it based on nationalism, Catholicism, social conservatism and traditional values; or rather EU integration, modernity and a centrist political philosophy? So far, PiS and PO have been unable to translate these interpretations into actionable policy agendas.

On foreign policy, a Komorowski victory could also present the governing party with near-term challenges. During the campaign, Komorowski tried to attract voters from the left – those most disillusioned by Polish involvement in Afghanistan – by signaling his intent to revisit Polish commitments to out-of-area operations. Simultaneously, Prime Minister Tusk stressed that Poland would not alienate its allies and reiterated Poland’s commitment to NATO. If PO continues its Afghanistan commitment, it may attract criticism from the left. Cutting the commitment short, however, will strain U.S.-Polish relations during an already unsettled time. Navigating this decision will be a true test of PO’s internal party cohesion.

Domestically, the absence of cohabitation will virtually give PO a legislative free hand. Prime Minister Tusk has often called for a constitutional amendment repealing the president’s veto in order to break the cycle of institutional conflicts. Such reform, nearly unthinkable during a period of cohabitation, now has a chance of succeeding.

This is the first time in PO’s decade-long existence that it would hold both the government and the presidency. PO can no longer blame its failures and inefficiencies on a bureaucratic gridlock with an obstructionist president. The way PO chooses to tackle these challenges will impact the domestic landscape as well as relations with Washington, either solidifying its status or allowing PiS to regroup and mobilize. Only time will tell.