

SGI Sustainable Governance
Indicators 2009

Czech Republic report



Executive summary

From 1998 to 2006, the Czech Republic was governed by center-left coalition governments dominated by the Czech Social Democratic Party (ČSSD). The parliamentary elections in July 2006 resulted in a tie in the distribution of parliamentary seats. The strong left-right divide and personal animosities led to a prolonged process of government formation. It took until January 2007 before a new government – a center-right minority government composed of the Civic Democratic Party (ODS), Christian Democratic Union-Czechoslovak People's Party (KDU-ČSL) and Green Party (SZ) – was installed with the help of the "defections" of two members of the ČSSD. (Please note that while the qualitative assessments in this report refer to the period under review from January 2005 through March 2007, all numerical scores in the report refer to the center-left government only.)

The basic features of democratic political life are firmly established in the Czech Republic. There is reasonable fairness in competition between parties and access to a variety of sources of information and opinions on government actions. Civil rights are generally protected, although the record on anti-discrimination measures suggests that this issue is not given much priority. Executive actions are increasingly governed by the rule of law, and a gradual buildup of case law is defining the limits of power more precisely. The record, however, is less satisfactory when it comes to corruption, as there is an evident reluctance to take the issue seriously or at least to give much priority to fighting it.

Since 2005, the Czech economy has developed favorably and seen strong growth fueled by strong inflows of foreign direct investment (FDI). Unemployment has continued to recede. In 2006, it stood at 7.2 percent, which is below the EU average. However, while the country's overall economic performance has been impressive, the policy record of the center-left government has been mixed. Active labor market policies have been in place but have contributed little to the decline in unemployment and a reduction of labor shortages. Enterprise policy has helped to attract FDI, but it has done little to improve what is currently poor access to financing, the meager development of venture capital and weak links between business and research. Save for cuts

in the corporate income tax rates, the government did little to streamline the tax system. Moreover, while public debt has been low, budgetary policy has suffered from drift.

The Czech Republic has been characterized by a high degree of social cohesion and a well-functioning welfare state, and it has the lowest poverty level in the European Union. Although the health care system suffers from rising costs, it continues to provide universal access to fairly good services. The pension system limits the risk of pensioner poverty and is sustainable for the next 20 years, and there are substantial facilities that provide child care for young children. The center-left government did not embark upon any major reforms of health care and pensions, but it did substantially expand family support policies in order to help make it easier for parents to reconcile parenting and employment responsibilities.

Security issues have not featured very prominently in the Czech Republic. External security is largely ensured through membership in NATO and the European Union. However, there are controversies regarding the priority attached to military spending and allowing a U.S. radar base to be located in the country as part of the planned U.S. anti-missile shield. These controversies have led to delays in the formation of a new security policy. The police and intelligence services have lacked adequate equipment and training and have been poorly organized. Since the level of immigration has only slowly increased and multicultural traditions have been weak, policies aimed at integrating immigrants have not seen significant development.

Czech governments have given attention to issues of environmental sustainability. In 2004, the center-left government approved a comprehensive medium-term strategy for environmental policy. In practice, however, environmental issues tend to be neglected in policy-making. While research and innovation has gained a high profile in policy debates, the country has missed the Lisbon Strategy's targets for research and development spending. The educational system has provided broad access to education and has featured a strong system of vocational training. However, the situation is significantly worse as regards tertiary education, as only about 13 percent of the population attends college or university.

Limited executive capacity has limited the adoption of reforms. The Czech Republic has had a series of fragile coalition governments with narrow majorities. In the case of the center-left government, both the Senate, the second chamber of parliament, and President Václav Klaus made ample use of their veto capabilities. Weak planning capacities and an underdeveloped use of scientific advice further limit the strategic capacities of Czech governments.

Interministerial coordination suffers from the lack of strong gatekeepers in general and the weak position of the Office of the Government in particular. Regulatory impact assessments were introduced only in 2005 and have only slowly developed since then. There has been no systematic monitoring of the institutional arrangements of governing. Under the center-left government, little institutional reform has taken place.

Executive accountability has suffered from citizens' limited knowledge of government policy. In contrast, the Czech parliament is substantially equipped to serve as a check on the government's power. It also has an auditing office, which undertakes well-publicized investigations of controversial issues. There is also an ombudsman, known as the Public Defender of Rights, who is empowered to investigate cases, although the office has only limited powers to enforce its recommendations. The capacities of intermediary organizations have also been relatively high. Media coverage of government decisions is satisfactory, the programs of the main Czech parties are coherent, and the competence of interest associations is relatively high. Despite an elaborate consultation process and a functioning tripartism, however, the political influence of interest associations has been limited, and it has largely depended on links to the parties in government.

Strategic Outlook

The Czech Republic faces a number of policy challenges. In order to make economic growth sustainable, it needs to pay more attention to research and innovation and education policy. Otherwise, the Czech economy will remain overly dependent on inward investment by multinational companies seeking only moderately skilled labor. This will lead to a failure to upgrade the economy and to strengthen the domestic enterprise sector. Economic development also hinges upon reducing the budget deficit. Given the demographic trends and the structure of spending, the current fiscal stance is not sustainable in the medium term. Moreover, the economic – and political – costs of postponing entry into the euro zone are likely to increase in the future.

The improvement of the country's fiscal stance is closely connected to the reform of social spending. While the Czech welfare state currently works reasonably well, it will face major problems in the medium term. Ongoing demographic changes will necessitate a reform of the health care and pension systems. In addition, labor market policy needs to become more effective, and the focus of family policy on easing the combination of parenting and

employment should be further strengthened.

A further major policy issue is immigration, which could help reduce demographic pressure and limit labor shortages. As immigration is likely to increase in any case, the Czech Republic needs to streamline cultural, education and social policies so as to support the integration of immigrants into society.

Finally, the Czech Republic needs to become more outward-looking and to strengthen its international role. A positive development would be a clearer move away from the euroskeptic reluctance of much of the Civic Democratic Party (ODS). The forthcoming Czech presidency of the European Union in 2009 will provide a basis for considerable domestic debate and discussion as well as for involvement in more of the details of EU policy-making, thereby moving the emphasis further away from posturing and euroskeptic rhetoric. Likewise, the controversies over the planned siting of a U.S. anti-missile radar system in the Czech Republic might lead to greater discussion – and ultimately awareness of – international security issues.

The Czech political system complicates the reaction to these policy challenges. First, electoral law has tended to produce weak coalition governments with narrow majorities. Secondly, Czech governments have suffered from weak executive capacity. Finally, policy-making has been complicated by a sharp partisan division between left and right, which has served as a barrier to informed policy-making. Without overcoming these problems, it is unlikely that the existing policy challenges can be successfully addressed.

Changes in electoral law have been discussed for some time, and there is now a broad consensus among experts, politicians and even the public that a certain adjustment of the election system is necessary. However, the extent of changes remains controversial. Proposals range from a simple move to an uneven number of deputies over different forms of electoral bonuses for winners to a switch to a first-past-the-post electoral system or a complete overhaul of the constitution.

In order to increase executive capacity, Czech governments need to expand their planning capacities and to modernize public administration. For policy-making to become more coherent, interministerial coordination must be strengthened. Such a change would require a stronger position of the Office of the Government. Capacity-building would benefit from the regular monitoring of institutional arrangements, and greater priority should also be attached to fighting corruption.

As regards the sharply partisan division between left and right, the goal should be to find consensus on basic features of society, in particular on the rough

extent of the state's legitimate role in forming social policy, in redistributing wealth and in actively promoting economic development. Regarding these issues, EU membership might play an important role, as more information about and awareness of practices in other countries might help overcome polarization around entrenched positions and bring about a more nuanced approach to policy-making. In addition, progress could be eased by further decentralization of powers to the regional level.

Status Index

I. Status of democracy

Electoral process

Fair electoral process

Score: 10

Procedures for registering candidates and parties are fair and follow clearly defined rules. The right to become a candidate for election is only limited by age. Parties, movements and coalitions register lists in electoral districts. A party must have prior registration to acquire legal status, and the 1991 Law on Political Parties and Movements sets conditions that exclude parties that: lack democratically established organs; break the law; aim to remove the democratic foundations of the state; aim to assume power and restrict the freedom of other parties; or threaten morality and public order.

Three citizens of the Czech Republic aged at least 18 years are required in order to found a political party or movement. When registering, a party must provide a petition with the names of at least 1,000 citizens demanding the establishment of the party or movement. This rather easily met requirement has led to over 100 parties being registered. In 2006, the European Court of Human Rights ruled that a fringe party had been unjustly denied registration.

Fair electoral campaign

Score: 8

Electoral and media laws have several provisions aimed at ensuring equality among parties. Parties that receive at least 1.5 percent of the votes are entitled to a state subsidy in proportion to the percentage of votes they receive. This subsidy has traditionally covered more than half of each party's campaign costs, thereby ensuring a reasonably level playing field. Municipalities provide spaces for posters, and radio and television stations set aside 14 hours of programming time to be divided equally among all registered candidates, thereby ensuring that even the smallest party has a voice.

The law requires that campaigning methods remain fair and free of false

information. During the 2006 parliamentary elections, various parties or movements filed six complaints about campaigning methods, the majority of which alleged that there were conditions unfairly helping certain parties, but the courts rejected all these claims. Media coverage of the different positions in the 2006 electoral campaign is regarded as having been relatively fair, although some smaller parties complained that there were too many TV debates featuring only the leaders of the two larger parties.

*Inclusive
electoral process
Score: 10*

The right to vote is not limited, and voter registration is relatively straightforward for Czech citizens. No fraud or illegal activities have been found in either the registration of voters or the counting of votes. Although absentee voting by mail is not allowed, there are special provisions for a movable ballot box that facilitates voting for the disabled and seriously ill. Since 2002, Czech citizens residing abroad have been allowed to participate in parliamentary elections by casting their votes at Czech embassies and consulates.

Access to information

*Media freedom
Score: 9*

The only formal restrictions on the free expression of opinions relate to the propagation of racism, fascism and communism. Political and social groups face no other restrictions on expressing or publishing their views. Public television is funded by a compulsory licensing fee. The law requires it to provide objective and balanced programming which reflects diverse political, social, religious and ethnic views. A council elected by parliament oversees public television. The council's membership must also reflect this same diversity and be free of direct political or commercial representation. The council's current composition appears to generally adhere to these requirements.

Direct political influence on the content of broadcasts has not been substantiated. Nevertheless, as MPs select the council's members by secret ballot, questions have been raised about whether this allows the largest parties to exert political influence. There have been conflicts within Czech TV, but the outcomes have generally left it with considerable independence from both government and outside control. Media sources espousing communist views have accused public television of bias, claiming that its political coverage does not provide equal representation to communist viewpoints as it does to the views of the other main parties. However, this seems to result more from the decisions of individual journalists in their coverage rather than from any government influence.

*Media pluralism
Score: 7*

Media ownership in the Czech Republic is relatively concentrated. Two public and two private stations compete in the television market. There is an ongoing political and public debate about the digitalization of TV broadcasting, which

would presumably lead to further liberalization of the market. The strongest opponent of digitalization to date has been the major private station, TV Nova. A relatively small number of foreign companies own the majority of Czech print media sources. Three of the major papers are owned by different companies, while one – *Právo* – belongs to an employee-owned Czech company. These papers cover most of the political spectrum, and there is an independently published paper for communists as well. One foreign company controls all the regional dailies, which publish much of the same material supplemented by distinct local news. Most of the weeklies, which have much smaller circulations, are independent and not owned by large, foreign publishing companies. Foreign ownership is generally associated with a pro-business orientation, but it does not otherwise affect editorial content. In general, the foreign owners seem to have little interest in – or understanding of – Czech affairs. While providing financial stability, they tend to give journalists free reign to find the direction they want.

Although it is apparently freer of business influence, *Právo*'s heavy dependence on advertising revenue leads it to avoid criticizing major companies. Thus, despite the existence of pluralism in media ownership, the most important elements of the print media tend to be rather cautious. This is less true when it comes to the growing body of independent, Internet-based news providers, which includes daily publications pursuing investigative journalism and challenging the conventional interpretation of events. In 2005, 32 percent of the Czech population used the Internet, particularly the young and better-educated.

*Access to
government
information*

Score: 8

The Czech constitution guarantees the right to information and requires public bodies to provide information to the public. A 1998 law on environmental matters and the 1999 Law on Free Access to Information spelled out further specification on access to government information. However, a 2005 report by the U.N. Economic Commission for Europe identified a number of access-related deficiencies, including: conflicts between the laws on access to information and the Administrative Procedures Act; poor compliance with court orders for the release of information; slow and ineffective court reviews; and the failure of government officials to release information (UN ECE, 2005). In response to this report, amendments were made to the legislation in 2006. Courts can now order public bodies to release information rather than returning requests to them for further review, fees are now largely limited to direct costs, and exemptions are now only allowed so as to prevent the release of information deemed personal and trade secrets relating to publicly funded activities.

Problems have nevertheless persisted. For example, some public bodies have provided only partial answers to requests or used arguments of commercial secrecy or confidentiality to deny access to information. Others have stalled

requests by requiring unnecessary information from those who have filed requests. Some regional and local authorities have claimed to be exempt from the law until being told by central authorities to comply. Until a January 2007 ruling by the Constitutional Court confirmed that they were also subject to the law, a number of publicly owned companies also resisted revealing information. The president's office similarly claimed exemption until a court ruled against its position in July 2007.

Annotation:

UN Economic Commission for Europe, 2005: Implementation Report Czech Republic. ECE/MP.PP/2005/18/Add.6

<http://www.unece.org/env/documents/2005/pp/ece/ece.mp.pp.2005.18.add.6.e.pdf> (accessed on January 5, 2008).

Civil rights

*Civil rights
protection*

Score: 7

Civil rights are protected by the constitution and international commitments. The government produces an annual report on the state of human rights. Cases of alleged abuse can be taken to the European Court of Human Rights, which handed down 36 verdicts against the Czech government in 2006. Problems with private property rights have been raised by the former owners of nationalized property.

Czech law has limited restitution rights to property nationalized after 1948. However, legal cases regarding property nationalized before that date have continued because, in accordance with the laws of the time, former owners may be entitled to financial compensation. Recent private-property issues have arisen in the context of road-building and preparing sites for inward investment. Land owners have felt pressured to sell and accept the conditions offered. There have also been some well-publicized cases of alleged police excesses. Attempts to brush off the accusations have led to bad publicity for the police.

*Non-
discrimination*

Score: 6

Legal regulations and approved public policies adhere to the principles of non-discrimination. However, the legal framework is incomplete and has not prevented discrimination from occurring. The propagation of racial hatred has been outlawed, but the laws have proved ineffective against discriminatory practices. A new labor code, which was passed in 2006 and meets EU requirements, requires equal treatment at work. However, a new anti-discrimination law has yet to be passed owing to disagreements between political

parties about the precise meanings of terms within the legislation. This failure has led to criticisms from the United Nations, and the European Union has threatened to impose penalties because of the Czech Republic's failure to comply with one of the conditions of EU accession. Despite the delay of the new legislation, existing law has provided a basis for few court cases. In 2006, one successful employment case was brought for race discrimination, and there was also the first case for discrimination based on sexual orientation.

State inspectors also found a few cases of discrimination against foreign workers. Discrimination against members of the Roma community, which is chronically disadvantaged in terms of its access to education and the labor market, is a persistent problem. The existing public policies attempting to ameliorate this problem have thus far had little impact on the living and working conditions of the Roma.

Rule of law

Legal certainty

Score: 8

In general, executive actions are predictable and comply with the law. However, problems can arise when the legal framework is incomplete or ambiguous. This especially applies to cases related to the Charter of Fundamental Rights and Freedoms, the implications of which have yet to be fully incorporated into Czech law. As a result, there is some inconsistency in legal regulations. There is, however, a gradual accumulation of case law, as the courts resolve ambiguities. For example, the right to strike has not been covered by a comprehensive legal framework, but the courts have interpreted it as a fundamental right unless and until specific laws indicate restrictions on this right.

Judicial review

Score: 8

Although they have been widely accused of acting slowly and of reaching sometimes surprising decisions, the courts have generally operated independently of the executive. The Constitutional Court enjoys high repute, as it has been active in reviewing legislation and in forcing the reversal of executive acts. There have, however, been some questions regarding the objectivity and independence of the legal system. For example, the president has the power to make appointments and to pardon convicted criminals without explanation. Between 2003 and 2007, this power was used 161 times. Other grounds for questioning the existence of full judicial independence and objectivity include one major case of judges having been associated with corrupt business practices. State prosecutors are also ultimately answerable to the government, which may occasionally become important when it comes to judicial independence.

Corruption prevention

There is widespread corruption in the Czech business community, as is indicated by international comparisons and surveys of businesses within the country. These

Score: 5

sources indicate that public officials are frequently bribed so as to overcome bureaucratic problems and politicians are bribed to win public contracts. Networks of corruption are quick to take shape and make connections with the central government, but it cannot be said that the central government is controlled by corrupt business elements. Many leading politicians have been accused of corruption, but investigations have often been inconclusive, thereby leaving behind an atmosphere of uncertainty and distrust. The fact that there has been some political resistance to laws aimed at reducing corruption suggests that much of the political spectrum is not worried by the phenomenon.

A 1992 law on conflict of interests required public representatives at the national level to declare their sources of income. In 2005, this requirement was extended to regional and some municipal government officials. Penalties were specified for failure to provide accurate information, but important loopholes remained, including a degree of uncertainty regarding how the information was to be provided while assuring confidentiality for the affairs of the politician's spouse. A 1992 tax law included a general provision regarding the declaration of wealth above a certain level, but it was repealed in 1994. The right has opposed the reintroduction of the provision, arguing that it is ineffective in practice and that other methods exist for overcoming tax evasion and other forms of illegal activity.

II. Economic and policy-specific performance

<i>Basic socioeconomic parameters</i>	<i>score</i>	<i>value</i>	<i>year</i>
GDP p.c.	2.86	20606 \$	2005
Potential growth	5.71	5.3 %	2008
Unemployment rate	6.5	7.2 %	2006
Labor force growth	3.45	0.4 %	2007-2008
Gini coefficient	8.85	0.259	1996
Foreign trade	4.52	39.88	2005
Inflation rate	7.7	2.7 %	2007
Real interest rates	8.5	1.6 %	2007

A Economy and employment

Labor market policy

Score: 7

Labor market regulations and policies modeled on those of Western Europe have been developed and harmonized with EU rules, where necessary. Unemployment benefits are not particularly generous and are only paid for six months. Active policies for remedying unemployment suffer from a lack of resources, which severely limits the scope for individual work with clients. Little attention is paid to evaluating the effectiveness of the various instruments of active labor market policy in existence. In general, the labor market situation is not a reflection of specific labor market policies. Unemployment has been kept within limits thanks to a growth in the service industry, a boom in tourism and the successful attraction of FDI.

Enterprise policy

Score: 7

Investigations within the Czech Republic indicate that complying with regulations entails considerable costs, and international comparisons also suggest that there are substantial bureaucratic barriers. Nevertheless, private entrepreneurs still make up 16 percent of the active labor force. This is an exceptionally high figure within the OECD and suggests that, despite vocal complaints from entrepreneurs, there are not major barriers to setting up a business and that local knowledge can help overcome the barriers that exist. However, barriers to the expansion of new businesses indicate that access to finance is meager, that venture capital funding mechanisms are poorly developed, and that links between business and research are weak. Governments have done little to improve this situation, although new opportunities for EU support may be having some positive impact.

The most successful part of enterprise policy has been inward direct investment attracted by the country's central European location, labor costs approximately half the EU average, the maximum subsidies permissible under EU rules, and policies for making suitable business sites available. For the most part, the companies making these investments are not overly concerned with bureaucracy and regulations, as these can be easily navigated with the help of an inward investment agency or consultancy firms. The growing attractiveness of other locations and a shortage of adequately skilled labor have limited such investments.

Tax policy

Score: 6

The tax system has roughly covered expenditure needs, although there have been annual deficits exceeding 3 percent of GDP since the late 1990s. The Czech tax system has been characterized by minimal levels of property tax and low levels of personal income tax (around 5 percent of GDP), which reflects the unpopularity of these types of taxes and the difficulty of introducing higher levels after the communist period, in which they were insignificant. The rise of a segment of society with reasonably high incomes has been accompanied by strong political opposition to any increase in either the level or progressiveness of personal income tax. The high level of taxation on companies inherited from the past has also been reduced owing to a desire by much of the political spectrum to not exceed the level of other countries in East-Central European. Except for these cuts, the center-left government did little to reform the tax system. The current center-right government launched more comprehensive tax reforms in August 2007.

Budgetary policy

Score: 6

Indicators for public debt and associated interest charges show the Czech Republic to be in a strong budgetary position. This position reflects good conditions inherited from the communist past and small deficits lasting into the late 1990s. Since then, debt has tended to increase as a proportion of GDP, although accelerating growth in GDP has recently held it in check. Growth in spending has been eased by access to EU financial support, which should facilitate a return to the previous budgetary position. Despite strong economic growth and pressure from the European Commission, the center-left government failed to meet the Maastricht deficit criterion of reducing the budget deficit below 3 percent of GDP. Protracted coalition negotiations following the 2006 elections complicated and delayed fiscal reform. The new center-right government has not placed high priority on adopting the euro and has placed greater emphasis instead on its agenda of cutting direct taxes. Its promises to reduce the deficit will therefore depend on spending cuts and continued strong economic growth.

B Social affairs

Health policy

Score: 7

The health care system was developed in the early 1990s and modeled after examples from neighboring western European countries. All citizens are entitled to free treatment paid for through state and private insurance schemes. The Czech health care system ensures a wide scope of choice for both providers and consumers of health care and provides fairly good services. Nevertheless, the system does not prioritize prevention over treatment, and it also suffers from management problems and rising costs. While the center-left government refrained from initiating major reforms, the new center-right government has announced the introduction of charges regarding prescriptions and visits to physicians.

Social cohesion

Score: 8

Quantitative indicators of social cohesion point in different directions. Measures of associational activity and claims of satisfaction with life suggest significant exclusion. The exceptionally low level of relative poverty suggests less of a threat. This follows from low levels of inequality in the communist past, a fairly even spread of economic activity across the country during that period, the nature of the subsequent economic transformation and the effects of social and regional policies. There is reasonably high employment among individuals below the pension age as well as adequate regulations, including a minimum wage, to protect the employed. Excluded ethnic and social groups, and particularly the Roma population, are a small proportion of the population. State benefits systems modeled on those of neighboring Western European countries protect the unemployed.

The most visible problems of social exclusion are in old industrial regions, where education levels are lowest and where there was past immigration in response to labor shortages that no longer exist. These parts of the country have the weakest social networks. However, high pay levels for the employed obscure the extent of the regional differences. The recent National Action Plan on Social Inclusion (2004 – 2006) aimed at coordinating institutions and policies aimed at combating social exclusion, but no funding and little effort were invested in its implementation.

Family policy

Score: 7

A high level of employment for women – albeit not in jobs of equal status to those of men – was an important feature of the economic system in the communist period. This high level necessitated pre-primary-education child care facilities. While both traditions have continued, there have been problems reconciling parenting and work responsibilities. The center-left government substantially expanded family support policies. In 2005, for the first time after the collapse of communism, it formulated a national family-policy strategy. The adopted measures included a doubling of the parental leave benefit (to 40 percent of the average monthly salary in the non-business sphere), better access to part-time employment for parents assuming child care responsibilities, the introduction of a right to return to the previous job for up to three years after childbirth and cuts in preschool fees. The center-right government, which advocates cutting social benefits, has been reluctant to expand financial commitments to ease burdens for women wishing to work while raising children.

Pension policy

Score: 7

The existing pension system largely follows the principles of the pre-1989 system, according to which pensions are paid out of contributions to a state fund. The retirement age is being gradually increased and will become 63 for men and 61 for women in 2012, with earlier retirement offered for women who have bore children. Supplemental private pension funds have also been introduced, but they are far less important than the state system. The average pension remains slightly under half the average level of pay at retirement, and the figure is watched closely. Pressure on the government to reduce the budget deficit has caused pensions to fall in recent years, but the disparity among pension levels is relatively small, limiting the risk of pensioner poverty.

The center-left government initiated a discussion involving all parliamentary parties on possible comprehensive reforms to prepare for the effects of an aging population, but no definite conclusions were reached. The options put forward included a substantially greater private role with a much smaller guaranteed state pension (from the liberal-conservative Civic Democratic Party, or ODS) and an adaptation of the Swedish system that would allow greater dispersion of pension levels at the expense either of greater cost or of a relative reduction in the lowest pension levels (from the Czech Social Democratic Party, or ČSSD). In both cases, either poverty prevention or sustainability would be threatened. It was noted, however, that the current system will not necessarily face any significant

financial difficulties for another 20 years, despite a rise in life-expectancy levels approaching those of countries in western Europe. With the urgency thus removed, no action was taken before the 2006 parliamentary elections. The center-right government has continued the tradition of cross-party consultations and announced some parametric changes of the existing system, most notably a gradual increase in the retirement age.

C Security and integration policy

Security policy

External security

Score: 8

The common assumption on external security policy, as expressed in a 2003 government policy document formulated after cross-party discussions, has been that there is no major external threat to Central Europe. Moreover, if there is a threat from farther away, the assumption is that it can best be faced by integration into NATO and the European Union. This assumption is also driven by a vague pro-Western consensus, although there is some degree of skepticism about this. Support for NATO is tinged with some doubts, for example, which has led to political differences over the priority attached to military spending. There have been concerns that support for NATO has necessitated higher military spending, despite the fact that the end of the East-West confrontation was expected to decrease this spending. There is also some debate about participating in military activities abroad because the old Czechoslovak army was not trained to function beyond its own borders.

There are also sharp divisions over a planned U.S. radar installation in the Czech Republic as part of the U.S. anti-missile shield. The ODS has been keen to accept this installation. Public opinion polls suggest that the majority opposes this plan, although it should be noted that the general level of knowledge about international security issues is low. Support is based primarily on arguments about the desirability of complying with U.S. wishes, with no reference being given to possible wider implications of the new weapons system on international security.

Internal security

Score: 7

While Czech society does not appear particularly dangerous, crime rates have been relatively high. Organized crime has attracted relatively little public attention. The police and intelligence services have not operated effectively. The police lack adequate equipment and training, and its organizational structure is

inadequate. As regards the intelligence services, there have been problems of coordination and control. The new center-right government has announced a significant reform of internal security forces aimed at making the police and intelligence services more effective and expediting court proceedings.

*New security
policy*

Score: 6

Czech government documents indicate broad acceptance of the assumption that security depends on addressing problems around the world. However, the country provides little aid to developing countries, follows EU policy on tariffs, and seeks to maintain only a limited capability to deploy military forces abroad. Moreover, the country always follows NATO and U.S. security policies and recently also the EU plan to create a rapid reaction force, to which the Czech Republic and Slovakia will jointly contribute. Alternatives to more active involvement are given little consideration.

There is, however, some interest in activities related to human rights in communist and formerly communist countries. For example, Czech politicians have frequently been active in drawing attention to abuses in Cuba, and there has been government support for projects in Belarus and Ukraine. These activities have been based on the assumption that the world would become safer, if these countries moved much closer to the European Union and away from Russian influence. A number of other issues have not been adequately addressed. Parliament has not yet passed a counter-terrorist law that would give the police and intelligence service the instruments they need to fight terrorism, and no integrated rescue system exists to respond to emergencies.

Integration policy

Score: 5

Since the expulsion/transfer of the German-speaking population after 1945 and the 1993 breakup of Czechoslovakia, the Czech Republic has been largely a monocultural and mononational society. However, a number of small immigrant minorities have existed for some time, and there are strong internal voices for recognizing the importance of and welcoming diversity. Governments have begun to consider solving labor shortages – particularly for jobs requiring university degrees and a number of skilled manual occupations – by encouraging immigration. These efforts have focused on countries believed to have a cultural affinity with the Czech Republic, such as Slovakia, Ukraine, Croatia and Bulgaria, but there is a reluctance to encourage labor immigration from countries with predominantly Muslim populations.

This reluctance reflects a widespread belief across the political spectrum that it would be difficult to integrate a Muslim minority, despite the fact that there were already an estimated 11,000 Muslims in the country in 2007. Policies aimed

specifically at integrating – rather than just attracting – immigrants have hardly been developed. There are plans to provide help to foreign immigrants with language training and to orient themselves in the unfamiliar legal framework. However, the number of foreign immigrants granted citizenship are small, and citizenship applications are often rejected for patently trivial reasons. The overwhelming majority of those accepted have Slovak citizenship, resulting from the 1993 dissolution of Czechoslovakia into a Czech Republic and a Slovak Republic. Asylum seekers are also few in number (3,016 in 2006), and few of their applications have been granted (364 in 2006). By 2007, reports of severe shortages across almost all labor categories that affected the great majority of major private employers made this cautious approach to granting citizenship to immigrants appear dangerously inadequate.

D Sustainability

Environmental policy

Score: 7

The fact that environmental issues have been a matter of long-term concern reflects the Czech Republic's landlocked position in Central Europe and long experience of difficulties with water pollution, acid rain and waste disposal. Carbon dioxide emissions are high by international standards. Emission levels have fallen with the decline of heavy industry, but the coal mining industry remains strong because the successful exportation of electricity has provided solid revenues and maintained jobs.

Environmental policy in the Czech Republic received a boost in the process of accession to the European Union. In 2004, the center-left government approved a comprehensive sustainable development strategy for the years between 2004 and 2010. In practice, however, environmental issues tend to be neglected in policy-making. Governments have allowed opencast coal mining to continue at a substantial cost to the environment and have proposed very modest targets in the negotiations with the Europe Commission over carbon dioxide emission allowances.

Research and innovation policy

Score: 4

Research and innovation has gained a high profile in policy discussions, and a government committee oversees and provides advice on policy formation and implementation. Nevertheless, government spending has fluctuated from year to year as a result of constraints imposed by other priorities backed by more

powerful lobbies (e.g., social and transportation policies). As a result, the targets set by the Lisbon Strategy have been missed. Nevertheless, spending on research and innovation as a percentage of GDP sets the Czech Republic comfortably above the bottom of the league. This reflects both government policies and the strategies of multinational motor-vehicle manufacturers that have located some development activities in the Czech Republic. Growth in public spending on research has generally kept pace with growth in GDP. However, the development of new, high-tech companies is low, owing less to bureaucratic barriers than to deficiencies in independent research output, financing and applicable business expertise.

Education policy

Score: 7

There is broad access to education in the Czech Republic. Primary, secondary and tertiary education are free, and about one-third of students in higher education receive some financial support from the state. Private schools and universities have yet to establish themselves as a serious alternative to the public sector, and only 8.5 percent of the students in higher education were enrolled in private universities in 2005/2006. Vocational training works relatively well and successfully attracts incoming multinational companies seeking a disciplined labor force capable of carrying out relatively routine tasks. Enrollment in tertiary education, on the other hand, has remained relatively low. In January 2005, a comprehensive education reform overhauling curricula and increasing the autonomy of schools went into effect. The center-left government pledged to increase spending on education, but it failed to deliver on this pledge. The 2006 change in government has intensified debates about the introduction of tuition fees at universities.

Management Index

I. Executive Capacity

<i>Cabinet composition</i>	<i>Prime minister</i>	<i>Parties in government</i>	<i>Type</i>	<i>Mode of termination</i>	<i>Duration</i>
	Stanislav Gross	Czech Social Democratic Party (ČSSD), Christian and Democratic Union - Czechoslovak People's Party (KDU-ČSL), Union of Freedom-Democratic Union (US-DEU)	minimal winning coalition	2	08/04-04/05
	Jiří Paroubek	Czech Social Democratic Party (ČSSD), Christian and Democratic Union - Czechoslovak People's Party (KDU-ČSL), Union of Freedom-Democratic Union (US-DEU)	minimal winning coalition	1	04/05-08/06
	Mírek Topolánek	Civic Democratic Party (ODS)	single party minority government	5	09/06-10/06
	Mírek Topolánek	Civic Democratic Party (ODS)	single party minority government	7	11/06-12/06
	Mírek Topolánek	Civic Democratic Party (ODS), People's Party (KDU-ČSL), Green Party (SZ)	multiparty minority government	-	01/07-

The following modes of termination should be distinguished: elections = 1; voluntary resignation of the prime minister = 2; resignation of prime minister due to health reasons = 3; dissension within cabinet (coalition breaks up) = 4; lack of parliamentary support = 5; intervention by head of state = 6; broadening of the coalition = 7.

A Steering capability: preparing and formulating policies

Strategic capacity

*Strategic
planning*
Score: 3

The government's strategic planning largely operates on a day-to-day basis. Strategic planning has been complicated by frequent changes in government, by the nature of coalition governments in which ministers have considerable authority over their policy areas, and by the extremely narrow majorities for governments, which make it difficult to predict the outcome of parliamentary votes and which are sometimes dependent on carefully satisfying the demands of individual members of parliament. There is no specific strategy unit at the core of government. There have been attempts within the government office to set long-term objectives (e.g., the 2005 Economic Growth Strategy), but these have merely been general statements that are not reflected in the policy-making decisions of the individual ministries.

Scientific advice
Score: 5

Nongovernmental academic experts have only modest influence on government decision-making. There is some willingness to seek expert advice at the ministry level, and the ministries do fund some research institutes. Nevertheless, scientific advice could not be called institutionalized, and some advisers appear to be chosen for their political views rather than genuine expertise. In a few cases, governments have sought formal and public outside expert advice when there was a need for long-term consensus across parties. For example, pension system reform was discussed by an expert commission, but its report released in July 2005 led to no action by the center-left government.

Inter-ministerial coordination

GO expertise
Score: 5

The Office of the Government is not the main locus of expertise. The main advisory body on legislation in the Office of the Government concerned with checking whether proposed legislation is consistent with the constitution, international agreements and EU legislation. Prime ministers have traditionally appointed a team of expert advisers – often including individuals with varied political views – to evaluate policy areas. These teams have never succeeded in becoming influential and have never had the expertise needed to cover all policy areas.

GO gatekeeping

There is a well-established system for discussing legislation and important policy proposals. These documents are circulated in advance between

Score: 5

ministries and other public bodies, such as the central bank, and may be discussed within other advisory organs. Comments and amendments are submitted, and the minister responsible for drafting the proposal must either accept them or provide a clear reason for rejection them. The Office of the Government has an equal right to comment on these drafts, but it has no absolute authority over them. Prime ministers usually have the authority and skill to prevent a proposal – which either they oppose or which will face an excessive number of objections from other ministries – from going forward, but the Office has no formal power beyond its vote in the government meeting.

Line ministries

Score: 5

The Office of the Government has only limited involvement in the preparation of policy proposals. The government's legislative plan divides tasks among the ministries and other central bodies of the state administration, and it sets deadlines for the submission of bills to the cabinet. Along with other ministries, the Office of the Government takes part in the interministerial consultation process, which primarily focuses on technical issues. If the prime minister opposes a bill on policy grounds, the main input of the Office of the Government will most likely be pressure to delay or rethink the bill.

Cabinet committees

Score: 5

Ministerial or cabinet committees have a limited role in preparing the agenda of cabinet meetings. While no committees are composed exclusively of cabinet members, there are a large number of ministerial committees. These committees bring together the prime minister, individual ministers and/or senior government officials with external experts. Some of these committees (called the "councils") are part of the Office of the Government, while others are institutionalized outside the Office of the Government. Committees provide advice and prepare policy papers that are sometimes discussed in the cabinet. However, they do not prepare cabinet meeting agendas on a regular basis.

Senior ministry officials

Score: 5

The role of senior ministry officials in the preparation of cabinet meetings is limited and poorly defined. Although they take part in the interministerial consultation process, they do not meet on a regular basis to prepare the agenda of cabinet meetings.

Line ministry civil servants

Score: 5

Although coordination between line-ministry civil servants does take place as part of the interministerial consultation process, it is not very effective. Since there are no clear rules on coordination among line civil servants, they tend to pass on controversial issues. Moreover, there are strong barriers between the ministries. As a result, cross-cutting project groups are only rarely formed, and participation in such groups does not improve career

opportunities.

Regulatory impact assessments

RIA application

Score: 2

Regulatory impact assessments (RIA) are rather new in the Czech Republic. A government directive from April 2005 (Regulation No. 420) established an RIA requirement for all legislation-related materials going before the Czech government. This requirement follows the practice in other countries where there are requirements for: an outline of the problem being addressed; arguments for why state intervention is a possible solution; and consideration of a range of possible alternatives. There was to be provision for consultation with affected groups and with other parts of the state administration, but implementation has been slow and weak because the ministries have been uncertain about what they are supposed to do. The issue has gradually been taken more seriously. Seminars and pilot projects paved the way for a second – and more refined – attempt at introducing RIA in August 2007. After the 2006 general election, though, the RIA coordinator was replaced, and the RIA coordination body was moved from the Office of the Government to the Ministry of the Interior.

Needs analysis

Score: 2

A system that includes a full needs analysis has been proposed, but has yet to be implemented. As of March 2007, the purpose of and need for a regulation had not been analyzed on a regular basis.

Alternative options

Score: 2

The envisaged system provides for a comprehensive analysis of alternative options, but has yet to be implemented. As of March 2007, alternative options had not been analyzed on a regular basis.

Societal consultation

Mobilizing public support

Score: 6

The main formal means of communication with social interest groups is the Council for Economic and Social Accord, a tripartite body that includes trade unions, various employers' representatives and government officials. Practically any social or economic policy issue can be raised in this forum, and it does occasionally play a role in the formulation of government proposals that will reassure and gain the acceptance of representatives of social interest groups. Nevertheless, the group does not receive much media attention and has only a limited impact on the wider public.

The council's effectiveness also depends on the government's willingness to listen to the concerns of its members. This willingness was relatively high under the center-left government.

In addition to the Council for Economic and Social Accord, other forms of consultation exist. Most notably, the interests of depressed regions are formally represented to the central government, and representatives have argued for assistance in repairing the environmental damage caused by past coal mining. Environmental groups, on the other hand, have felt excluded from formal processes, but they have found a powerful voice by pursuing legal action to delay opposed developments and by securing coverage in the national – and sometimes even international – media.

Policy communication

Coherent communication
Score: 4

The coherence of the government's communication policy is low. The weak institutional position of the prime minister and the fact that the Czech government has been a coalition government with a narrow majority have both worked against the establishment of a coherent communication policy. For example, in a number of cases, ministries have publicized contradicting messages. However, it is not unusual for ministers to say that they do not like – but are forced to accept – what is being done.

B Resource efficiency: implementing policies

Legislative efficiency

Veto players

	<i>Total</i>	<i>Share</i>
Bills envisaged in the government's work program	134	
Government-sponsored bills adopted	121	90.3 %
Second chamber vetos	9	6.72 %
Head of state vetos	17	14.05 %
Court vetos	0	0 %

Effective implementation

Government efficiency
Score: 6

The implementation of reforms has been complicated by the heterogeneous composition of Czech governments, their narrow majorities and the weak position of the prime minister. Even though the center-left government tailored its goals accordingly, there has been a substantial gap between stated goals and actual results. While the government professed its commitment to prioritizing research and education, social spending took precedence over these and other spending areas. The center-left government also failed to

implement its 2003 EMU Accession Strategy and its underlying program of fiscal reform. Moreover, the promised reform of public administration progressed more slowly than had originally been announced.

Ministerial compliance

Score: 6

Governments have tried to ensure ministerial compliance largely by way of well-defined government programs and coalition agreements. Nevertheless, enforcement has proved difficult. Programs and agreements have often suffered from a lack of specificity. Moreover, the prime minister has lacked the formal means to sanction defections, especially with ministers from other parties. As a result, in practice, ministerial compliance has often hinged upon the prime minister's personal authority.

Monitoring line ministries

Score: 5

The Office of the Government monitors the performance of the line ministries and informs the ministries once a month about possible failures to fulfill the government's goals. Nevertheless, ministers do have a considerable degree of autonomy, especially when they do not belong to the prime minister's party, which limits the effectiveness of monitoring.

Monitoring agencies

Score: 7

The monitoring of executive agencies is largely effective. Executive agencies tend to enjoy little autonomy and are monitored relatively thoroughly, especially in terms of economic efficiency. However, some agencies have suffered from politicization and corruption. For example, an investigation of CzechInvest, an inward investment agency authorized by the Ministry of Industry and Trade, found a number of risky or questionable decisions.

Task funding

Score: 6

The capacities of local governments and regions suffer from a lack of funds. With its unique power to set tax levels, the central government effectively controls most of the finances of subnational authorities. Regional funding predominantly comes in the form of central government non-fixed grants subject to annual negotiations. Ever since regions were formed in 2000, there has been a discrepancy between transferred duties and disposable resources. Central government has continued to delegate public tasks to lower levels of government without providing the funding needed for their execution.

Constitutional discretion

Score: 7

Subnational authorities are not significantly limited in the use of their constitutional discretion. However, the central level of administration in the Czech Republic is only progressively disentangling itself from the highly centralized and directive administration it inherited after 1989. Constraints on the use of constitutional autonomy are most noticeable for the regional authorities formed in 2000, although they have been slowly asserting themselves. In order to obtain support in the form of EU Structural Funds, each region was required to draft strategic documents setting out their priorities. However, as a result of pressure from Brussels and decisions by the central government, one common Regional Operational Programme was

formulated for all Czech regions when the country joined the European Union in 2004. There have also been conflicts between the central government and the regions over hospital privatization.

National standards

Score: 7

The central government uses different methods to ensure that subnational governments meet national standards. The Ministry of the Interior has established a department responsible for overseeing regional authorities, which in turn are responsible for overseeing the municipalities. The department's principal function is to ensure that the regional authorities make decisions that are consistent with various laws and directives. Some of these decisions have occasionally been annulled, while others have been referred to the Constitutional Court. In addition, first steps have been made toward the use of benchmarking, financial incentives and other techniques aimed at ensuring compliance with standards.

C International cooperation: incorporating reform impulses

Domestic adaptability

Domestic adaptability

Score: 5

The main external source of pressure for the adaptation of government structures has come during the process of EU accession, but its impact has been mediated through conflicts in domestic politics. Some have welcomed EU membership as a means to force through desired changes, while others resent its influence. The creation of regional authorities, for example, came in response to pressure from Brussels. This change was backed by some groups within the country believing that strong regional structures would lead to a general strengthening of civil society. At the same time, opposition by part of the political spectrum somewhat slowed its implementation. EU membership also served as an important impetus for modernizing the central public administration, but the results of reform have been limited.

External adaptability

International coordination activities

Score: 5

When it comes to international initiatives, the Czech Republic is a follower rather than initiator. The country's main international role is as a part of the European Union and NATO and as an ally of the United States and other NATO member countries. Attention is also paid to cooperation within the Visegrad Group, the alliance of the Czech Republic, Hungary, Poland and Slovakia, which celebrated its 15th anniversary in 2006. The country's concern for international human rights is limited to conditions in only a

handful of countries. The extent of the country's role in international environmental initiatives has led to a number of domestic conflicts, although these have only involved a part of the political spectrum. President Václav Klaus has taken a strong, and highly controversial, stand on global warming. He has downplayed the seriousness of the issue and has demonized environmentalists as a major threat to freedom.

*Exporting
reforms
Score: 4*

The Czech Republic is not a very active promoter of reform agendas to other countries and primarily acts as a late follower. One exception to this general rule is the country's support for a pro-Western agenda in some other former communist or authoritarian countries. Euroskeptics surrounding President Václav Klaus, who are critical of the deepening of European integration in general and of EMU in particular, have tried to spread their gospel within the European Union, but were not supported by the center-left government.

D Institutional learning: structures of self-monitoring and -reform

Organizational reform capacity

*Self-monitoring
Score: 4*

On the whole, there has not been any systematic monitoring of the institutional arrangements of governing. Rather, there are only sporadic audits within particular ministries. The results of these audits are seldom used to improve institutional arrangements and tend to remain ignored.

*Institutional
reform
Score: 5*

The government and public administration have been organized relatively rigidly. Much of the practice of governing has been constrained by the nature of coalition governments, reinforced by the inertia of officials and very difficult to change. Following the country's accession to the European Union, programs were initiated to improve administrative practices and to take advantage of modern methods of management. Preliminary steps have proved much easier than actual implementation.

II. Executive accountability

E Citizens: evaluative and participatory competencies

Knowledge of government policy and political attitudes

*Policy
knowledge
Score: 5*

Most citizens have only a limited knowledge of government policy-making. Only about half of the adult citizens of the Czech Republic have a sustained interest in politics. Interest in current political events is frequently focused exclusively on personalities and scandals. This limited interest results from a widespread belief that decisions are affected by certain lobbying groups and secretive influences possibly linked to corruption. This belief is associated with and strengthened by a feeling that citizens wield only minor influence. Policy decisions are often made along a left-right divide, which reflects an awareness that different policies favor particular social interests, or by reference to the policy's relationship to practices in the communist past.

F Parliament: information and control resources

Structures and resources of parliament, committees, parliamentary parties and deputies

Number of deputies	200
Number of parliamentary committees	15
Average number of committee members	25
Average number of subcommittee members	-
Pro-government committee chairs appointed	10
Deputy expert staff size	1
Total parliamentary group expert support staff	5
Total parliamentary expert support staff	40

Obtaining documents
Score: 10

The law entitles parliamentary committees to ask government departments for and receive any information as long as confidentiality regulations do not protect the requested information from publication. Governments usually respect committee requests. Nevertheless, committees are not primarily concerned with controlling the executive. The principal control on ministers is through individual MPs, who have the right to be provided with a response and information deemed necessary for carrying out their job within 30 days.

Summoning ministers
Score: 10

Parliamentary committees may – and regularly do – summon ministers for committee hearings. The law specifies that a minister or the head of a state administrative office is obliged to attend a committee meeting, when asked. Although a deputy minister usually attends the hearing with the agreement of the committee, the committee is entitled to insist that the minister attend in person. Failure to comply with this entitlement has led to loud complaints and bad publicity for the minister concerned, who is traditionally expected to comply with the request.

Summoning experts
Score: 10

Committees have the right to invite any expert they choose to. Moreover, meetings are open, and the committee chair can permit anyone in attendance to speak.

Task area coincidence
Score: 9

The Rules of Procedure do not clearly define the distribution of subject areas among committees. Instead, distribution is based on custom, tradition and ad hoc decisions by the Organisational Committee and the Chamber of Deputies. The match between task areas of parliamentary committees and ministries is not exact. Committees are set up to cover all policy areas. These committees are supplemented by a number of subcommittees and generally cover the important policy areas falling under ministerial competences.

The Budget Committee has task areas slightly broader than those of the Ministry of Finance, including the role of overseeing the central bank and monetary issues. There is a general Economic Committee with numerous subcommittees, including one on energy that is part of the area of competence of the Ministry of Industry and Trade. This may allow for greater attention to areas that have been prominent in policy-making and reflects the principal function of the committees in reviewing legislation.

Annotation:

The score lies outside the range of the expert scores. The experts have taken the question literally and have given a maximum score of eight because the task areas of parliamentary committees and ministries do not perfectly overlap. However, since the experts agree that the existing discrepancies do

not infringe upon the monitoring of ministries, a higher score is justified.

Audit office

Score: 9

The parliament's controlling function is supported by the Supreme Control Office (NKU), an independent auditing office tasked with controlling the use of state property and financial resources. The Czech president appoints the NKU's president and vice president to nine-year terms based on the recommendation of parliament, and parliament appoints additional members based on the recommendation of the NKU's president. The NKU undertakes all controlling activities requested by parliament, and it may also undertake investigations on its own initiative. The NKU forwards all investigative reports to the parliament, the government, the central bank and/or any other relevant public body. The NKU can also report suspected breaches of the law directly to the law enforcement authorities.

Ombuds office

Score: 8

The Czech parliament does not have a separate ombuds office. However, an independent ombuds office – known as the Office of the Public Defender of Rights – has been in operation since 2000 and is accountable to parliament. The office responds to complaints from the public and can initiate its own investigations of suspected or alleged breaches of the law as well as cases of legal actions that are nevertheless accused of being unreasonable. This office is also entitled to comment on draft laws. If the office decides that a complaint is justified, it sends a report to the appropriate office. If this office fails to comply with the recommendation handed down by the Public Defender of Rights, details of the recommendation – including the names of the public officials involved – can be publicized, and a report can be sent up to the next level in the hierarchy. The office has received and processed a large number of complaints, but its powers are limited in that they do not extend beyond the publication of a judgment. In a number of cases, public authorities have not followed this office's recommendations. When it comes to the personnel occupying this office, the role of parliament is limited by the fact that it cannot propose candidates itself. It must instead choose from among the four candidates suggested by the president and the Senate.

G Intermediary organizations: professional and advisory capacities

Media, parties and interest associations

Media reporting

Score: 7

In general terms, media coverage of governmental decisions is satisfactory. The public television and radio stations provide substantial coverage and

some in-depth discussion of them. However, these stations fail to live up to the programming of the British Broadcasting Corporation (BBC), with they use as a benchmark. News reporting is often formulaic and particularly thin on international issues. There are very few media personalities with the prestige to challenge leading politicians. However, these stations do produce several hours per week of programming focused on topical issues, including government policies. Private media sources, on the other hand, rarely attempt to provide information with analysis and context. In the best case, they settle for providing infotainment; in the worst case, coverage focuses primarily on scandals. There is a television channel providing specialized broadcasts of most parliamentary debates.

Fragmentation

Parliamentary election results as of 6/3/2006

<i>Name of party</i>	<i>Acronym</i>	<i>% of votes</i>	<i>% of mandates</i>
Civic Democratic Party	ODS	35.4	40.50
Czech Social Democratic Party	ČSSD	32.3	37.00
Communist Party of Bohemia and Moravia	KSČM	12.8	13.00
Christian and Democratic Union – Czechoslovak People's Party	KDU-ČSL	7.2	6.50
Green Party	SZ	6.3	3.00
Others		6.0	0

Party competence *Score: 7*

The electoral programs of the main Czech parties are relatively coherent. They reflect ideological positions that fit into a left-right spectrum, although the communists demonstrate somewhat less clarity in their thinking. The ODS offers a relatively detailed liberal program advocating deregulation and individual responsibility. The social-democratic ČSSD has campaigned on a more interventionist platform, which emphasizes the need for appropriate public and social services. There are, however, different factions within the ČSSD.

*Association
competence**Score: 7*

The competence of interest associations is relatively high, particularly when it comes to the trade unions. The main trade union confederation, the Czech-Moravian Confederation of Trade Unions, is very active in formulating policy views related to labor law and fiscal policy and produces internally consistent policy documents with which it tries to influence political parties. Employers' associations are primarily concerned with providing advice and assistance to their members. They also have expertise and influence on business regulation, and they take a generally predictable stand in favor of lower business taxes and lighter regulation.

Religious organizations have little influence on politics. The Roman Catholic Church is the most active religious organization, but it restricts its comments primarily to issues of direct concern, such as the fate of property used by the church before the communist period. Environmental groups are primarily active in opposing particular development plans.

*Association
relevance**Score: 7*

The influence of interest associations has traditionally been limited. Formal consultation procedures have been relatively weak, and many civil servants have not yet accepted civil society as a partner. Accession to the European Union has improved the situation somewhat by stipulating the involvement of interest associations in the management of EU aid (Structural Funds). Nevertheless, the relevance of most associations is still largely dependent on political ties. Trade unions can expect to be listened to from social democrats in government, but they can expect little attention from right-wing parties. The Catholic Church has a political voice through the Christian-democratic KDU-ČSL party, which has been a minor partner in every coalition government. Only business and employers' associations can expect to be listened to by all parties.

This country report is part of the Sustainable Governance Indicators 2009 project, which assesses and compares the reform capacities of the OECD member states.

More on the SGI 2009 at www.sgi-network.org

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