

# SGI Sustainable Governance Indicators 2011

## Czech Republic report

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## Executive Summary

The Czech Republic was governed from January 2007 to March 2009 by a weak center-right coalition, which was able to command only the narrowest of majorities. This coalition was able to implement some of its key policies, but divisions led to inaction in many areas. It was defeated in a parliamentary vote and replaced in April 2009 by a caretaker government made up from experts proposed by the parties and supported by a solid parliamentary majority, which was nevertheless unable to take any substantial policy initiatives.

The basic features of a democratic system are firmly established. Parties compete with the aid of state support that depends on their electoral strength, and all significant political opinions gain coverage in the media. Civil rights are secure, with the final passage of a form of anti-discrimination legislation secured following insistence from the European Union. Executive actions are controlled by law, and the Constitutional Court has been very active in constraining parliament's decisions. Corruption remains an important issue, with politicians from all sides linked to doubtful business practices. Existing laws have not proven effective in this regard, but the media frequently exposes corrupt practices.

The key economic policy aim of the center-right government was the introduction of a flat tax, meaning a low and uniform range for personal income tax. This was accompanied by reductions in corporate tax levels, increases in indirect taxes, cuts in social spending and the introduction of some fees for health treatment. Tax changes took effect in January 2008, establishing a uniform income tax rate of 15%, associated with a personal allowance that introduced a degree of progressiveness. This carried a substantial cost in government popularity, leading to increasing divisions within the coalition and ultimately limiting its ability to take further initiatives. There was no consensus on comprehensive further reforms in the health and pension systems, and divisions within the government led to paralysis on important issues of energy policy and protection of the environment.

The economy grew rapidly until 2008, but then suffered from a sharp drop in exports following the world financial crisis. The banking and financial systems remained largely unaffected. The result was a worsening budget deficit, rising to 6% of GDP in 2009. There were disagreements over the threat this might represent and hence over

the urgency of its reduction, over whether a reduction should involve only spending cuts or also tax increases, and over whether the Czech Republic should support expansionary measures to counter the effects of the crisis. The caretaker government was pulled in different directions: Parties pressed hard for their favored policies as part of campaigning for elections scheduled for May 2010.

Unresolved issues include the weak provision of facilities enabling parenting to be combined with work, and weak support for immigrants. Despite a high dependence on foreign workers and substantial skill shortages, few incoming workers are persuaded to settle permanently. Research and innovation have been given high profiles in government policy documents, but spending in these areas remains low and significant applied research activity depends on foreign-owned multinational companies. There is broad access to education, but gaps remain in teachers' skills, and only about 16% of the labor force has attended tertiary education.

The Czech Republic's international role is exercised primarily through the European Union. This has been hampered by a strong euroskeptic current, including most prominently President Václav Klaus, who opposed signing the Lisbon Treaty. The Czech Republic held the EU presidency in the first half of 2009, but made no substantial impact. However, this did encourage a more accepting attitude toward the European Union on the part of Klaus's Civic Democratic Party, which supported signature of the Lisbon Treaty. The Constitutional Court ruled that this was within parliament's powers in November 2008. External security is assured through NATO membership, and there are no substantial perceived external threats. There was substantial public opposition to government support for establishing a U.S. radar base in the country. This subsided when the new U.S. president announced changes to the original plans.

The Czech view toward the outside world has remained that of a country more willing to take than to give a lead. However, there are unlikely to be regrets that it did not hurry to join the euro zone. It remains a country with a low level of international and state debt. The European Union has been a major force for modernizing policy in many areas, including the environment, anti-discrimination and social policy. It has been a significant influence on improving structures and methods of government.

Strategic vision from governments has been hampered by the nature of coalition governments with narrow majorities. Much has depended on detailed coalition agreements, after which ministers are left with considerable discretion and can in practice be removed only with the approval of their party. Conflicts are then either resolved informally or allowed to block decision-making. There is no systematic thinking on institutional reform. Methods to improve efficiency, such as regulatory impact assessments, are introduced in response to EU prompting.

The public is well informed on government decisions and political party positions, but less aware of wider political debates. Nevertheless, the Czech parliament exercises substantial control over the government. It has a separate audit office that monitors public bodies, and has itself come under scrutiny by a parliamentary committee for alleged misuse of public money. An ombudsman takes up and investigates complaints against public offices, but has no powers beyond publicizing its findings. The programs of the main political parties are coherent, as are those of interest associations. However, their input depends entirely on government willingness to listen to their views. That was very high under the caretaker government.

## Strategic Outlook

The Czech Republic faces a number of policy challenges. Political life is characterized by a polarization between left and right that has led to unstable governments with small majorities. This has led to inadequate or partial solutions on a number of important issues. The positive side is that it has delayed changes that might have been undesirable, such as heavy dependence on private pension funds. Establishing stable governments able to take decisions that will be respected by successors is not a matter of electoral reform. Feasible voting systems are likely to lead to similar outcomes in parliament. Stability in decision-making rather depends either on a shift in the political balance or on greater consensus between the main parties.

Economic growth has been driven by inward investment from multinational companies exporting to other EU countries. That has provided a basis for rising income levels, but it cannot provide a basis for reaching the income levels of the richest countries in western Europe. Improvement would be required in four areas to make that possible. First would be the development of a domestic research and innovation potential. Although this figures large in government rhetoric, technological advance today still depends overwhelmingly on

what foreign companies choose to bring into the country, while the domestic research base remains underfunded. Second would be additional support for the education system, and especially for higher education, the quality of which remains below the level of western European countries. Third would be enhancement of the infrastructure for domestic business development in the form of risk capital, advice and support. Fourth would be deepening support for a high-skilled labor force, including the provision of a more welcoming atmosphere for immigrants who might choose to make their homes in the Czech Republic, and more emphasis on enabling working and family life to coexist. Such measures have encountered opposition from part of society and part of the political spectrum that does not support the idea of a multicultural society that actively ensures equal opportunities for all.

Economic prospects are linked to solutions to the problems of a rising budget deficit and the threat of deficits in the funding mechanisms for pensions and health care. Government spending as a share of GDP is below the levels seen in richer EU members. A major difference is the low level of direct taxation, particularly on personal incomes. If this is not raised, it will be difficult to finance the range of state activities. The health and pension insurance system experienced financial difficulties as a result of falling revenues from the economic crisis. In the long term, the pension system can be stabilized by continuing to increase the retirement age – an approach on which there has been political consensus – but there are strong disagreements over the extent to which pensions should be dependent on private pension schemes, with or without a state guarantee. Balancing the health insurance system will require either rising income resulting from renewed economic growth, greater commitment from the state budget, or an end to the system of guaranteed equal and free treatment.

## Status Index

### I. Status of democracy

#### **Electoral process**

Candidacy  
procedures  
Score: 10

Electoral registration procedures are fair and transparent. In order to found a party, three citizens aged 18 or over need to submit the party statutes, backed by 1,000 signatures. The 1991 law on political parties and movements sets down conditions that exclude parties that lack democratically elected organs, break the law, aim to remove the democratic foundations of the state or to take power for themselves, restrict the freedom of other parties, or threaten morality and public order. In the period under review, the most controversial issue was the attempt by successive governments in 2008 and 2009 to ban the Workers' Party (Dělnická strana), a far-right organization that claimed to have almost 1,000 members and received over 1% of the votes in the 2009 European Parliament elections. The case was rejected by the Supreme Administrative Court on March 4, 2009, on the grounds that a serious threat had not been demonstrated. The government tried again after the necessary six-month delay and received a favorable Supreme Administrative Court judgment on February 17, 2010. The Workers' Party then appealed to the Constitutional Court on March 15, thereby delaying implementation of its dissolution.

Media access  
Score: 8

Electoral law guarantees parties access to state radio and television with 14 hours set aside for all parties to express their views, with equal allocation to all irrespective of their size or previous voting performance. Thus all parties do have access, although the resulting presentation is often tedious and unlikely to hold viewers' and listeners' attention. Space is also provided by municipalities for billboards, and political advertisements are carried in newspapers. There is an obvious bias toward more coverage and presentation for larger parties, reflecting their greater resources and also the perception of the media that they are more important. However, television and radio debates often include all parties that already have or are likely to gain parliamentary representation, for which 5% of the vote is required. Smaller parties receive much less coverage, unless they can attract attention through the presence of established politicians or media personalities.

Voting and  
registrations rights  
Score: 9

All adult citizens, including convicted prisoners, can participate in national elections, and voter registration is relatively straightforward. However, while special provisions for a mobile ballot box facilitate voting for the disabled and seriously ill, there is no general ability to vote by mail. Czech citizens residing abroad can vote at Czech embassies and consulates. For them, the participation in elections is complicated by a special deadline for registration and the declining number of embassies and consulates.

Party financing  
Score: 7

The financing of parties is regulated by the state. A major, and indeed often the main source of income of the Czech parliamentary political parties is various forms of state contribution. This follows a precise formula which benefits the larger parties while severely penalizing those with the smallest share of the votes. A small new party stands little chance without wealthy backers. The private funding of parties is subject to a number of legal restrictions. Parties are prohibited from accepting money from state-owned enterprises or foreign donors. All donations above €2,000 (CZK 50,000) have to take place via bank transfer and make use of a so-called donation voucher. Parties are obliged to publish information about donors and donations in audited annual reports that to be made publically available in the library of the parliament. The funding of political parties is supervised by the fiscal and tax authorities and overseen by parliament. Although these rules appear strict, they are not as rigid as some in western Europe. For instance, there is no requirement for a special bank account for financing an election campaign, nor is there any upper limit to election spending. Larger parties can take bank loans to fund their electoral campaign, or establish companies which then provide such loans. There have been many media reports on how control of party funding can be circumvented, along with less frequent threats of legal action.

### **Access to information**

Media freedom  
Score: 7

The Czech Republic has traditionally been characterized by a high degree of media freedom. Formal restrictions on the free expression of opinion have been limited, public and private media have been largely independent from the government, and the press law has been liberal. Concerns about the freedom of the media have been raised by the so-called muzzle law that came into effect on April 1, 2009, passed by parliament with little opposition apart from the Communists. This measure established penalties of up to five years in prison for publishing the names of crime victims without their permission or for publishing any account drawn from police wiretaps in newspapers or on the Internet, TV or radio. A number of newspapers and journalists' organizations criticized this as a serious



infringement on press freedom. The background to the first part of the law was the treatment of various child victims of crime. The second part was a reaction to a series of cases in which police investigations had found their way into the media, leaked by police officers, which served to compromise certain politicians. In some cases these helped expose corruption, as police investigations of this type were often mysteriously dropped before coming to court. Passing the law could be justified as an indirect means of enforcing discipline in the police force, but the effect was also to protect corrupt politicians.

Media pluralism  
Score: 8

Media ownership in the Czech Republic has been relatively concentrated. However, at least in the case of television, the digitalization of broadcasting, which started in 2005 but gained momentum only in 2008, has reshaped the media landscape and increased media pluralism. The number of nationwide private TV stations has risen from two to six (as of April 2010), and there are now approximately 50 regional TV broadcasters as well. Within the Czech print media, foreign ownership is strong, but has no visible influence on the ideological tone of media output. At the end of 2008, the German Handelsblatt group sold *Economia*, the biggest Czech publishing house (which inter alia publishes the leading daily *Hospodářské Noviny*), to a Czech media company. This transaction was preceded by fears that *Economia* could be bought by a dubious investor with Russian connections.

Access to gvmnt.  
information  
Score: 8

The Czech constitution and the 1999 Law on Free Access to Information, substantially amended in 2006, provide for far-reaching access to government information. Public bodies have gradually learned what can and cannot be kept secret. The president's office initially refused to provide any information, but from 2008 it complied with the law and published details on its website explaining how to seek information and what prices will be charged. In 2009, it received 27 requests, none of which were refused. There are still difficulties with many municipalities, but they too can be taken to court if they refuse to respond to requests for information. Some smaller municipalities have been confronted with serious financial difficulties following failure to disclose information as requested. Journalists have been making use of the freedom of information law to follow possible cases of government-level corruption associated with major arms contracts, but have been refused information detailing fees received by private companies and on individuals who may have been responsible for signing deals. The increasing number and quality of electronic portals for public administration has further improved the access to government information.

## Civil rights

Civil rights  
Score: 8

The government and the administration in the Czech Republic respect and protect basic civil rights. As the complaints lodged with the European Court of Human Rights and the Office of the Public Defender of Rights (Ombudsman) indicate, the main problem is the length of legal proceedings. The high number of complaints first of all shows that Czech citizens are increasingly aware of their civil rights.

Political liberties  
Score: 9

Political liberties are well codified and respected, and are protected by the state. However, there are some restrictions on the registration of parties and on free speech. The 1991 law on political parties and movements forbids the establishment of parties that lack democratically elected organs, break the law, aim to remove the democratic foundations of the state or to take power for themselves, restrict the freedom of other parties, or threaten morality and public order. These provisions were invoked by successive governments in 2008 and 2009 to ban the Workers' Party (Dělnická strana), a far-right organization that received over 1% of the votes in the European Parliament elections of 2009. An amendment to the penal code in November 2008 introduced penalties for denying the crimes against humanity that took place under fascism and communism.

Non-discrimination  
Score: 6

The Mirek Topolánek and Jan Fischer governments launched a number of anti-discrimination measures. The Topolánek government established a new cabinet portfolio, a minister for human rights and minorities, in charge of better coordinating the activity of advisory boards, authorities and NGOs dealing with human rights, national and ethnic minorities, in particular the Roma minority. The new ministry helped to put issues of discrimination on the agenda, but often lacked support from other parts of government. The effects of the new anti-discrimination law, which ultimately took effect in September 2009 following strong EU pressure, have also been limited. As finally approved, the law covers employment, housing and other spheres. It outlaws discrimination on grounds of sex, race, nationality, sexual orientation, age, disability and religion, but not political views. It specifies how an individual can complain, but there is no obligation for employers or public bodies to monitor their own practices to eliminate discrimination. As the law met with strong opposition, it is clear that part of Czech society is either unaware of discrimination or is comfortable with what exists. It therefore remains an open question to what extent this relatively weak measure will help in overcoming the prevailing discrimination, most notably against women and Roma.

## Rule of law

Legal certainty  
Score: 9

Executive actions are generally predictable and undertaken in accordance with the law. Problems arise because of the incompleteness or ambiguity of some laws with general declarations, notably the Charter of Fundamental Rights and Freedoms, requiring backing from detailed specific laws. However, points are gradually being clarified as case law builds up, as in the areas of freedom of information and discrimination. Government bodies then learn to comply with an established practice. An important example is the right to strike, which is referred to only as a fundamental right and in the context of collective bargaining law. For some time, government official tried to declare strikes that were not connected with collective bargaining illegal. However, no such issue was raised when trade unions in transport prepared to stage a strike in March 2010 against changes that would have taxed benefits in kind they were receiving from employers.

Judicial review  
Score: 7

The Czech courts have generally operated independently of the executive. The most active control on executive actions is the Constitutional Court, which has triggered annoyance with its judgments across much of the political spectrum. Its decisions often come only after close votes and some have been surprising. It has been accused both of political bias and of setting itself up as a third chamber of parliament with a power of veto. In the period under review, the court's most controversial decisions included its rejection of early elections in September 2009 and its judgment on the Lisbon Treaty in November 2008, in which it rejected President Klaus's view that signing the treaty would be in conflict with the Czech constitution. Major questions over the objectivity and independence of the judiciary were raised by the fate of long-standing accusations of corruption against Jiří Čunek, the Christian Democrat deputy prime minister in the Topolánek government from April 2008 to January 2009. He was accused of accepting a bribe in February 2007, but continued in office while the prosecutor was changed to one who was willing to drop the charges. Although nothing was proven, there was evidence of possible direct political links, and dropping the charges was very helpful for the government in maintaining its narrow parliamentary majority. The issue remained under media scrutiny into 2010, as various courts considered whether it had been acceptable to change prosecutors. The implication is of a legal system that is partially politicized, with judges making decisions on the basis of political opinions and in the interests of political allies. Other cases show evidence that judges tempted by personal gain have offered a shield

to corruption. All of this is under some control from other parts of the legal system, however.

Appointment of  
justices  
Score: 8

The justices of the Constitutional Court, the Supreme Court and the Supreme Administrative Court are appointed by the Senate, the second chamber of the Czech parliament, on the basis of proposals made by the president. Within the Senate, no special majority requirement applies. During the presidency of Václav Klaus (first elected in 2003, currently serving a second term), there have been disputes over appointments, with the Senate refusing to approve four candidates proposed by the president, but no conflicts over this issue arose in the current review period. The process of appointing judges is transparent and adequately covered by the public media. The involvement of both the president and the Senate increases the likelihood of a balance in political and other characteristics of the judges. Pavel Rychetský, the current chief justice of the Constitutional Court, served as a deputy prime minister in a social democratic government, while other judges have different political backgrounds.

Corruption  
prevention  
Score: 4

The Czech Republic has long been characterized by apparently high levels of corruption. Although governments have put the struggle against corruption high on their agenda, they have failed to implement effective anti-corruption measures within the bureaucracy and police, or within politics itself. At one level there is a widespread acceptance of the fact that corruption is a normal part of life, at least in business and in the distribution of public funds – some survey evidence suggests that bribery is usual in such cases – and to some extent in dealings with law enforcement. Remarkably, it also affects universities, although in that case its exposure can gain widespread publicity. A dramatic example was the high-profile corruption case against the law faculty of the University of West Bohemia in Pilsen in 2009, after a number of high-profile figures gained degrees after relatively short periods of study, often with inadequate or plagiarized work. However, the greatest problem is the inactivity of politicians. Cases are not investigated when leading political figures may be implicated, as for example in the purchase of military aircraft from the UK firm BAE Systems, decided under an earlier Social Democrat defense minister. The case of Jiří Čunek, a Christian Democrat deputy prime minister in the Topolánek government, attracted even more attention, but with little result. The acceptance of corruption by politicians has led to repeated reluctance to implement tough legal measures.

## II. Policy-specific performance

### A Economy

#### Economy

Economic policy  
Score: 6

In the past, economic growth in the Czech Republic largely depended on inward investment by multinational companies exporting motor vehicles and consumer electronics to the rest of the European Union. Attractions included a geographical location in Central Europe, a good transport and communication infrastructure and a disciplined labor force willing to accept wages below the western European level. Detailed coordination of aspects of economic policy was relatively unimportant to the success of this process. In view of the substantially lower labor costs, the details of tax policy could do little to alter the attractiveness of the Czech Republic. Wage and employment protection policies also made little difference to firms that planned long-term investment. The domestic financial system was also of little relevance for firms financed from outside.

However, inward investors have experienced general shortages of labor (largely compensated for by using immigrant workers hired through recruitment agencies), and of skilled labor in particular. This reflected the absence of an adequate training system and deficiencies in education. It presented a constraint on bringing higher-level activities such as research and development into the Czech Republic. Service-sector activities have been attracted but face a severe constraint associated with the shortage of people with adequate language skills. Official responses have included paying subsidies to incoming companies (even after they have decided to invest), although this contributes little to overcoming the fundamental problems with the labor force. Pay for an employee with language skills in an incoming company is frequently higher than pay for a qualified teacher, suggesting that labor shortages in this area are likely to persist.

The principal policy debates in the Czech Republic have not been relevant to the key issue of moving the Czech economy to a higher level of competitiveness by establishing a more skilled and more innovative labor force. The emphasis on creating a low-tax and low-regulation economy threatens to restrict resources for education and

training. In the period leading up to the May 2010 parliamentary elections, the case for a growth-oriented strategy based on investing in new technology and a more skilled labor force received no more than rhetorical support.

### **Labor market**

Labor market policy  
Score: 6

The unemployment rate increased during the economic crisis, but has stayed below the EU-27 average. However, about half of the jobless are long-term unemployed, and there are substantial regional variations. Whereas unemployment is high in some regions, others suffer from labor shortages. As a reaction to the economic crisis, labor market policy has been expanded, with part of the resources made available through European Social Fund projects. Labor market policy has focused on providing subsidized employment or training to those who are unemployed or whose jobs are under threat. The success of these projects has been limited. Czech employees, especially the older ones, are still rather unused to lifelong learning. Results through mid-2010 also suggest that employers have not been taking advantage of all available resources.

### **Enterprises**

Enterprise policy  
Score: 7

The Czech Republic has been successful in attracting foreign investment and features a high share of self-employed individuals and employers within the active labor force. Barriers to setting up enterprises appear relatively high, but can be easily overcome by buying a pre-registered company from one of the many firms that offer this service, by relying on experienced consultants, or in important cases, the inward investment agency. The most important constraints on domestic businesses are not state bureaucracy but the lack of a sophisticated business environment. Thus risk capital, required for investment in new businesses that develop expensive new technologies, is hardly available at all. This follows from the cautious and conservative approach of the foreign-owned banks. As a result, incoming multinational companies can flourish using finance and technology from outside the country, and it is relatively easy to set up a small business, but the missing element is a community of dynamic businesses able to improve the economy's international competitiveness.

## Taxes

Tax policy  
Score: 6

The Czech tax system was overhauled in January 2008. Reforms replaced the previously progressive personal income tax schedule with a single 15% rate levied on an enlarged base. The move to a flat income tax was accompanied by cuts in the statutory corporate income tax rate from 24% in 2007 to 20% in 2009, and an increase in the concessionary VAT rate applied to many goods and services from 5% to 9%. The reforms were largely revenue-neutral. They reduced the tax burden on companies and the better-off, but did little to reduce the high non-wage labor costs associated with large social security contributions (Hrdlicka et al. 2010). For the broad majority of the population, the high overall tax wedge thus remained unchanged. In the wake of the economic crisis, calls from the political right for further cuts in corporate income tax rates grew louder. However, the Fischer government did not agree on tax reform, so no major measures were adopted.

Citation:

Hrdlicka, Zdenek, Margaret Morgan, David Prušvic, William Tompson, Laura Vartia, 2010: Further Advancing Pro-growth Tax and Benefit Reform in the Czech Republic. OECD, Economics Department Working Paper No. 758, Paris.

## Budgets

Budget policy  
Score: 5

Reflecting a long period of low budget deficits, the level of debt relative to GDP is very low by international standards. The reaction to the economic crisis has been complicated by sharp policy disagreements. A view from the political right saw this as a source of very immediate danger and emphasized the need for speedy reduction of the deficit, to be achieved by spending cuts. A major anti-crisis measure was to include further cuts in taxes on businesses. A view from the political left emphasized the tolerability of a deficit, and sought to counter the crisis with spending both on infrastructural investment and higher social benefits. The Fischer government sought to combine both approaches, including a so-called anti-crisis program of expansionary measures and a commitment to savings, aimed at keeping the budget deficit to within 5% of GDP. However, its proposals failed to achieve a consensus. President Klaus refused to sign the proposed budget for 2010 into law. The size of future deficits will be heavily dependent on trends in GDP. Early results for 2010 suggest that growth rates have been overestimated, pointing to a possible further rise in deficits. This raises more forcefully questions

of how, and how quickly, balance should be restored.

## **B Social affairs**

### **Health care**

Health policy  
Score: 7

The Czech health care system was developed in the early 1990s following the example of neighboring West European countries. All citizens are entitled to equal and free medical treatment paid for by the state and private insurance schemes. Increased life expectancy and very low infant mortality demonstrate the quality of health care in the Czech Republic. The most visible problem is a periodic failure of the insurance system to cover rising costs. In early 2008, the Topolánek government initiated the first stage in its conception of health care system reform, introducing fees for pharmacy prescriptions, visiting a doctor and receiving overnight treatment in a hospital. These were set at a very low level, but caused controversy both by breaking the constitutional commitment to free health care (the Constitutional Court found this acceptable by one vote) and by imposing the charge on everyone, irrespective of age or means. In January 2009, the dissatisfaction with health care reform, even within the governing coalition, led to the dismissal of Minister of Health Tomáš Julínek. The Fischer government failed to agree on health care reform and did not adopt any measures.

### **Social inclusion**

Social inclusion  
policy  
Score: 7

Quantitative indicators of social exclusion suggest that there are some problems within Czech society. At the national level, average income has increased, but not as much as in the previous period. Inequalities in income have also gradually increased at the regional level (i.e., between the capital and the rest of the country) and across different sectors. The effects of the economic crisis are visible in declining rates of life satisfaction. Income inequality measured using the Gini index has shown a slight increase. Due to a relatively favorable employment picture and a rather redistributive social policy, however, income inequality in the Czech Republic remains one of the lowest among the OECD countries. A stubborn problem is the social exclusion of Roma population. For instance, more than half of all Roma children are still enrolled in special schools for pupils with learning difficulties. In 2008, a newly created agency launched a number of pilot projects aimed at increasing the social inclusion of



Roma.

## Families

Family policy  
Score: 6

The employment rate for women in the Czech Republic is the highest among the post-socialist member states of the OCED, but does not exceed the OECD average. The level of child care provision declined significantly during the nineties, and there has been no significant improvement since, even though the growing number of single mothers – more than one-third of children are now born outside of wedlock in the Czech Republic – has further increased the demand for child care. Another problem has been the rather long maximum duration of maternity and paid parental leave (28 weeks in the case of maternity leave, up to four years in the case of parental leave), which has reduced the incentives for early reentry into the labor market. Debates on family policy have paid relatively little attention to the issue of labor market integration for women, focusing rather on the level of parental leave benefits and family and children allowances. The Topolánek government cut the level of parental leave benefits, which had been increased by its social-democratic predecessor, by approximately 20%. After a heated debate in the Chamber of Deputies in late 2009 and early 2010, benefits were restored to their former value by parliament. However, this legislation was vetoed by President Klaus in April 2010.

## Pensions

Pension policy  
Score: 7

The Czech pension system is characterized by a dominant public pillar providing relatively generous pensions. There have been attempts over the last several years to find consensus on more substantial reforms to the pension system. A new expert group in charge of preparing a reform proposal was set up in January 2010 by the Ministry of Labor and Social Affairs. Agreement has been relatively easy on gradual increases in the retirement age. The retirement age is currently being gradually increased to reach 63 for men and 61 for women in 2012. Further change has been blocked by disagreement over the future role for private pension funds. Any future pension reform has also been complicated by a Constitutional Court judgment of April 16, 2010, which found the existing system to be unconstitutional. The extent of the gap it created between contributions from the highest incomes and the level of pension received was judged to be unjust. Parliament has been allowed until September 2011 to undertake necessary revisions to the existing law, which could imply reductions in the lowest levels of pensions so as to

allow for increases at the top end.

### **Integration**

Integration policy  
Score: 5

The Czech Republic has experienced relatively high levels of immigration since EU accession. Foreign citizens made up 4.2% of the population in 2008, reaching over 7% for the 20-39 age group. The largest immigrant groups within the Czech Republic were Ukrainians, Slovaks and Vietnamese (respectively 30%, 17% and 14% of the total immigrant population). Asylum seekers are a very small part of immigration, amounting to 1,260 individuals in 2009. A more important role has been played by foreign workers hired by agencies capitalizing on labor shortages in growing regions. In many cases, these migrants have been kept in dependency by the agencies.

Both the Topolánek and the Fischer governments did little to develop a systematic integration policy for immigrants. When the economic crisis hit foreign workers, help from the Czech government took the form of programs for returning impoverished migrants to their country of origin. Another change, unlikely to encourage more immigration, has been the introduction of a language examination on the CEFR (Common European Framework of Reference for Languages) level A1 as a condition for foreigners' permanent residence in the Czech Republic as of January 1, 2009. Support for migrants in cultural, social and educational matters is largely provided by NGOs, which are more acquainted with the reality of migrants' daily experiences and are more flexible in providing assistance than state institutions. These NGOs, which often receive state funding, are most active in urban centers such as Prague and Brno.

## **C Security**

### **External security**

External security  
policy  
Score: 8

The accepted political consensus in the Czech Republic, backed by a 2003 government policy document formulated after cross-party discussions, is that no serious external security threat exists in Central Europe, and that safety is guaranteed by NATO membership. In the period under review, the sharp divisions over the placing of a radar tracking station in the Czech Republic as part of a U.S. anti-missile protection system continued. The proposal was made public during 2006 and resulted in a strong public debate with public

demonstrations against the plan. Moreover, Russia objected to the U.S. proposal, arguing that it undermined Russian security. Czech politics was divided, with the Topolánek government keen to show itself as a close ally of the United States, as unconcerned about Russian fears, and even unconcerned about damage to the country's relations with Russia. Opinion polls suggested resistance to the proposal from the majority of the population, reflecting opposition to the establishment of any foreign military bases in the country, concern that it would make the country a target for external attack, and doubts that the plan would contribute anything to improving world security. The original plan was modified after the new U.S. president came to office in early 2009 amid disappointment from its enthusiastic supporters in the Czech Republic.

### **Internal security**

Internal security  
policy  
Score: 7

The Czech Republic has adapted itself reasonably well to the new security situation resulting from accession to the Schengen area. Police cooperation with the other Schengen countries, most notably Germany and Austria, has been smooth. In January 2009, a comprehensive police reform took effect, which has brought a clarification of tasks, an improvement in training and a modernization of equipment. In contrast, the reform of intelligence services, which have suffered from problems of coordination and control, has made less progress.

## **D Resources**

### **Environment**

Environmental  
policy  
Score: 7

Environmental issues are nominally a major concern of Czech governments, but key legislation is lacking on many areas outlined in the government's State Environmental Policy of the Czech Republic (2004 – 2010), which is intended to provide a consensual basis for future government actions. During the EU accession process, environmental protection assumed a high priority. However, following accession, spending on environmental protection has stagnated at around € 800 million (CZK 20 billion) per year, a level clearly below the EU average. The Green Party was part of the Topolánek government, and placed stress on certain high-profile environmental issues, but its views were opposed by strong lobbies that cast doubt on whether global warming is taking place, and that see environmental rules imposed by the European Union as excessively

restrictive. On a number of issues, other parties have effectively been waiting until the passage of elections that were expected to remove the Greens from any position of influence. Thus, no decision was made on the expansion of nuclear power, or on a removal of restrictions on open-pit mining in North Bohemia. The Green Party supported the Fischer government for a time, but the ministers it proposed resigned following a dispute over plans for reducing emission levels from a coal-fired power station, which the Green Party judged inadequate.

### **Research and innovation**

Research and  
innovation policy  
Score: 5

Czech governments have made strong verbal commitments to supporting research and innovation. A government body, the Research and Innovation Council, is chaired by the prime minister and produces regular and substantial reports on the comparative level of Czech research activity. In 2008, the council called for far-reaching changes in Czech research and innovation policy. One major proposal, the establishment of a new agency in charge of distributing state funding for applied research, was implemented in 2009. A second major proposal – a drastic shift of resources from basic to applied research – was realized only partly due to massive protests by researchers from universities and public research institutes. Overall spending on R&D relative to GDP in the Czech Republic falls near the EU average, with growth in recent years. However, much of the research that can lead to innovation is conducted by multinational companies, particularly in the motor-vehicle sector. This is advantageous for them because of lower Czech labor costs and the established research and production base. It does not reflect results of government initiatives or policies, nor does it depend on contacts with government research institutes or universities. Existing government programs have been taken up by some private companies, but there is no sign as yet of the development of a significant domestically owned high-tech sector. Barriers remain in the poor links between production and research and in the lack of access to capital.

### **Education**

Education policy  
Score: 7

The Czech Republic has a relatively well-functioning system of vocational training, and one of the highest proportions of people with secondary education in the OECD. Enrollment in tertiary education, on the other hand, is still relatively low. Although this figure has doubled over the last two decades, no more than 13% of the Czech

population has a tertiary degree. Part of the problem is the low public spending on education.

The Topolánek government began work on a major reform of student finance in higher education. This was to introduce tuition fees alongside a system of grants and loans that were intended to remove students from immediate dependence on parental support. There was strong opposition to the proposal and it was not pushed forward by the Fischer government.

## Management Index

### I. Executive Capacity

#### A Steering capability

##### Strategic capacity

Strategic planning  
Score: 4

There is little strategic planning in government decision-making. No government office in charge of strategic planning exists. The medium-term framework for policy-making is set by the government's manifesto, which is presented to the Chamber of Deputies by asking for a confidence vote. In the period under review, there were two such presentations of government manifestos. The first was made by the Topolánek government in January 2007, the second by the Fischer government in May 2009. Both were substantial documents that followed negotiation between coalition partners. A rare case of strategic planning is represented by the Independent Panel on the Assessment of the Czech Republic's Long-Term Energy Requirements. This body was founded in 2007 by the government office, and is responsible for developing policy proposals that span more than one electoral term.

Scholarly advice  
Score: 5

In the Czech Republic, the influence of academic experts on government decision-making is modest. The prime minister's office and most ministries consult experts and have advisory boards. Some ministries also support, and cooperate with, research institutes. Cases in point include the Institute for International Relations, founded and partially funded by the Ministry of Foreign Affairs, and the Research Institute for Labor and Social Affairs, set up by the Ministry of Labor and Social Affairs. In line with the low standing of academic life in general, however, academics do not enjoy much prestige as advisors if they do not have strong party links. A partial exception was the National Economic Council of the Government, which functioned from January to September 2009 and was intended to advise the government, and hopefully even the European Union, on responses to the economic crisis. Eventually, however, its three reports did not noticeably influence policy-making at the national, let alone the EU, level.

### Inter-ministerial coordination

GO expertise  
Score: 5

The Office of the Government of the Czech Republic is relatively small and has little sectoral policy expertise. It prepares cabinet meetings, but lacks the capacity to evaluate draft bills. Moreover, the advisers appointed by the prime ministers tend to be experts in political infighting rather than policy specialists.

GO gatekeeping  
Score: 6

In the Czech Republic, there is a well-established system for interministerial coordination. Draft bills or important policy proposals must be distributed for comments to the prime minister's office, all ministries, the Czech National Bank and all other affected public institutions. This ensures that substantial discussion takes place, with comments available for all participants to see. The minister presenting material is obliged to make some response to all comments received. The prime minister's office has no formal authority beyond that of any other participant in the discussion. The importance of the ministry level is confirmed by the fact that the focus of lobbying activities has shifted from the political arena to individual ministries.

Line ministries  
Score: 6

The legislative plan of the government divides tasks among the ministries and other central bodies of the state administration and sets deadlines for the submission of bills to the cabinet. The line ministry has to involve, and take comments from, a range of institutions, including the government office. This consultation process primarily focuses on technical issues. However, the government office has substantial informal power over major issues such as relations with the European Union or the state budget.

Cabinet committees  
Score: 5

In the Czech Republic, a large number of ministerial committees exist, some on a permanent, some on a temporary basis. The most important permanent committees are the Council for National Security, the Council for Legislation and the Committee for the European Union. The last of these, with 17 ministers and two others as members, focuses on issues related to EU membership. In the period examined, this committee prepared the ground for the Czech presidency of the EU Council in the first half of 2009. The committees discuss and approve policy documents, thereby filtering out issues and saving time in cabinet meetings. However, they are not formally and systematically involved in the preparation of cabinet meetings.

Senior ministry  
officials  
Score: 5

Senior ministry officials are generally a crucial link in collecting and discussing comments on proposed legislation. They thereby play a coordinating role between various parts of government, with advisory committees and with outside interests that may be consulted in the

preparation of legislation. However, their formal role is poorly defined, and they do not meet on a regular basis to prepare the agenda of cabinet meetings.

Line ministry civil servants  
Score: 5

Bills are generally prepared by specialized ministerial legislative units in cooperation with departmental units responsible for the content of the proposed legislation. As part of the interministerial coordination process, some coordination among line-ministry civil servants takes place. However, there are no clear rules on coordination, and within ministries strong hierarchies and a departmentalist culture prevail.

Informal coordination procedures  
Score: 7

Informal coordination mechanisms have featured prominently in the Czech political culture. Under the Topolánek government, coalition party leaders met as required to resolve major policy disputes. The effectiveness of this practice in resolving disagreements is clear from the infrequency of open disputes in government. The Fischer government rested on an agreement made with all of the main political parties and was thus also highly dependent on informal coordination among the parties.

## RIA

RIA application  
Score: 8

In 2005, regulatory impact assessment (RIA) was introduced as an integral part of public administration reform. Application has rested with a department of the Ministry of the Interior, making use of advice and guidelines from the European Union. By 2008, all draft laws were to be subjected to RIA. Some exceptions were allowed, largely for legislation already in process. There are two forms of RIA, a short and a comprehensive one. The latter is applied when broad policy consequences are envisaged or when a strategic government policy is being examined. In some cases, the assignment has been controversial.

Needs analysis  
Score: 6

According to the official RIA guidelines, the first step of analysis is to identify whether regulation is necessary at all. In practice, however, RIA studies do not have a separate section on the need for regulation. Instead, the need or absence of need for regulation is established as a general result of the studies.

Alternative options  
Score: 5

The official RIA guidelines call for a consideration of alternatives, and the analysis of alternative options has gradually become a common practice. In practice, however, this analysis is often treated as a pure formality. Most RIA studies still focus on assessing a course already proposed by a ministry.



### **Societal consultation**

Negotiating public support  
Score: 7

The main formal means of consultation is a tripartite council including government, trade unions and employers' organizations. This is an arena for consultation on economic and social policy measures, and the council members are also automatically consulted during the process of preparing legislation. No such consultation is formally required when legislation is initiated independently by members of parliament, but such cases are generally unimportant and in practice the main interest associations keep a watch on all parliamentary business and can ensure that their views are pressed by friendly legislators. This method has also been adopted by a number of NGOs, so that relevant legislation is often presented to them automatically by proposing ministries so as not to waste time with debate in parliament. The impact of any of these forms of consultation depends on the willingness of government to listen to alternative views. During the period of the Fischer government there was an exceptional willingness to listen and much of its economic policy was formulated with the help of input from trade unions and employers' organizations. At least in that period, consultation led both to different policies and to greater acceptability for those policies.

### **Policy communication**

Coherent communication  
Score: 4

Both the Topolánek and Fischer governments were composed of multiple parties. On a number of occasions, the coalition partners expressed different priorities and preferences regarding fiscal policy, environmental affairs and economic crisis measures. Establishing a coherent communication system was given a high priority during preparations for the Czech EU presidency. In April 2009, the government created the Government Information Center as a response to increasing demands for interactive communication within the state administration and with the public.

## B Policy implementation

### Effective implementation

Government  
efficiency  
Score: 4

Governments' ability to achieve objectives has varied with those objectives. After parliamentary elections in 2006 resulted in a parliament evenly divided between left and right, the only alternatives were a grand coalition or a potentially unstable government. Topolánek rejected the first possibility, but his initial successes in introducing a flat tax, fees for health care and cuts in social spending came at the cost of exacerbating divisions within the coalition. The government failed in the most fundamental objective of surviving a full electoral period. The Fischer government was intended to last out six months to new elections, without an ambitious program of its own. Following the postponement of elections set for October 2009, it had to struggle on for several more months. In view of its limited ambitions, it could be judged as reasonably successful. However, it lived through what in effect was a permanent pre-election period, in which parliamentary parties pressed their own policy priorities. The main practical goal was preparation of a state budget, and it was impossible to create consensus on its form. The constraints imposed on the Fischer government peaked in spring 2010, when the Civic Democratic Party (ODS) blocked discussion of all bills through the use of procedural obstructions.

Ministerial  
compliance  
Score: 6

In the Czech Republic, governments have tried to ensure ministerial compliance largely through the use of well-defined government programs and coalition agreements. Differences between individual ministers and the government then generally take the form of disagreements between parties and are played out by threats of resignation, potentially bringing down the whole government. During the period of the Topolánek government, there were reasons to remove ministers from both the Christian Democrat party and the Green Party (relating to issues of corruption or incompetence), but to do so would have threatened the existence of the whole government. These were therefore matters of difficult, and public, negotiation and conflict between coalition partners. Ministerial compliance in the Fischer government was reached through an agreement made with all of the main political parties. The problem was thus not so much ministerial compliance as it was securing a parliamentary majority at a time when parties were concerned with imminent elections.

Monitoring line  
ministries

In the Czech Republic, the government office formally monitors the activities of the line ministries. During the Topolánek government,

Score: 5	however, the effectiveness of monitoring was complicated by the nature of the coalition government and the eroding informal authority of the prime minister in the coalition and his party. Prime Minister Fischer did not enjoy a strong position vis-à-vis the ministers either.
Monitoring agencies Score: 7	There is not much delegation of responsibility away from the government in the Czech Republic. The agencies that exist take diverse organizational forms and are monitored in different ways. Most of them enjoy little autonomy, and are monitored relatively thoroughly. In many cases, both the government and the parliament are directly involved in the supervision.
Task funding Score: 7	The regional tier within the Czech system of governance has taken on greater importance following a process of consolidation of various administrative functions. However, the regions' financial dependence on the central government is high, since regional funding comes largely in the form of central government grants, which are subject to annual legislation. It remains a matter of dispute whether regional governments have the financial resources to effectively manage the tasks assigned to them. Under the Topolánek government, negotiations over regional budgets were complicated by opposing political majorities.
Constitutional discretion Score: 7	Local and regional governments' discretion over exactly how resources should be spent faces no significant limitations. Effective discretion is limited by the tightness of budgets, but money can be transferred between uses. A clear example of this was the decision of most regional authorities, under predominantly Social Democrat control, to cover the health charges (CZK 30, or about €1.20, for consultation with a doctor) introduced by the Topolánek government. They were able to do this out of health budgets because the sum was reasonably small, and in practice not all patients claimed the money back. However, the policy could not be continued indefinitely without taking resources from outside the health budget, and councils announced they would abandon it even if the new parliament did not withdraw the fees after the May 2010 elections.
National standards Score: 7	A department in the Ministry of the Interior is responsible for overseeing subnational self-governments. Its concern is compliance with existing law and not assessment of efficiency, but laws extend across such issues as regular financial accounting, fair conduct of elections, avoidance of conflict of interest, compliance with rules on disposal of waste materials and freedom of information. Its annual reports show regular monitoring of all levels of self-government, as well as substantial efforts to inform councils of existing legal constraints. The number of breaches of the law, following consultation and advice from the ministry, has declined rapidly as

new local authorities have become accustomed to existing law. Thus, in 2008, just 55 out of 10,516 municipality resolutions and proposals were found to be in conflict with the law.

## C Institutional learning

### Adaptability

Domestic  
adaptability  
Score: 7

Ever since the mid-1990s, the government's activities have adapted to, and are strongly influenced by, the EU's legislative framework. However, the main structures of government and methods of functioning have remained largely unchanged. A more strategic vision, with more cooperation between ministries, was judged necessary for EU relations during the period of the country's EU presidency. This was addressed by creating the department for European affairs, headed by a minister and located within the government office, which was continued after the presidency moved to its next holder. The creation of the post of minister for human rights and minorities also followed outside criticism that these issues were not being taken seriously across the government as a whole.

International  
coordination  
Score: 6

The Czech Republic takes part in initiatives led by international organizations, especially the EU and NATO, but its role is that of a passive follower rather than initiator. It is harmed in this regard by its political leaders' lack of experience on the world stage, and by the strength of a domestic euroskeptic current which has ruled out playing an active leadership role within the European Union. These weaknesses were exposed during the country's EU presidency in the first half of 2009 (Braun 2009). The stated aim was to make a major impression asserting a conception of the EU as a zone of liberalized economic relations with minimal political coordination. The slogan was to be "Europe without barriers." Much EU work in that period was a continuation of initiatives already in process, but the Czech government's position was difficult in three respects. First, the country had not ratified the Lisbon Treaty, but had to work to ensure that terms offered to Ireland gave the maximum chance of a positive vote in a referendum in that country. Second, the Czech government was not convinced of the seriousness of the economic crisis in early 2009, and did not favor a coordinated European response, a position that conflicted with that of major EU members. Third, during military conflict in the Middle East, the Czech foreign minister was unprepared to seek a role in mediating or attempting to resolve the conflict. The Topolánek government was replaced by the Fischer government during that period. That eased relations with other

European leaders but did not lead to any new initiatives.

Citation:

Braun, M. 2009. Czech EU Presidency – a Missed Opportunity.

<http://www.boell.cz/web/52-804.html>

### **Organizational reform capacity**

Self-monitoring

Score: 4

There is no systematic monitoring of the institutional arrangements of governing. Governments must issue annual reports and a final report at the end of their term in office. However, these reports tend to focus on policies rather than institutions and are normally self-congratulatory. In addition, there are sporadic audits within particular ministries.

Institutional reform

Score: 5

In the period under review, institutional structures have undergone little change. The unclear political majorities limited the strategic capacity of the government, so that no major attempts at institutional reform were undertaken.

## **II. Executive accountability**

### **D Citizens**

#### **Knowledge of government policy**

Policy knowledge

Score: 5

Information on government policies is easily available to all citizens. After months of what was effectively a prolonged election campaign through late 2009 and early 2010, citizens are likely to be familiar with the basic policies and views of political parties. However, they are less well informed of details, and have limited ability to reach informed evaluations. This reflects weaknesses in the media and the limited range of trusted expert opinions.

## E Legislature

### Legislative accountability

Obtaining documents  
Score: 10

Czech parliamentary committees may ask for almost all government documents. Governments usually respect committee requests and tend to deliver the documents in time.

Summoning ministers  
Score: 10

Ministers, as well as the leading personnel of major state institutions (e.g., the Supreme Audit Office, Ombudsman, etc.) are obliged to attend committee meetings when asked. According to the rules, ministers are also required to present draft bills to the affected committees. If the ministers send officials below the rank of deputy ministers, committees may, and often do, refuse to discuss a legislative proposal.

Summoning experts  
Score: 10  
Task area coincidence  
Score: 9

Parliamentary committees may and often do summon experts.

The parliamentary Rules of Procedure do not prescribe a particular distribution of subject areas among committees. Instead, distribution is based on custom, tradition and ad hoc decisions by the Chamber of Deputies and its Organizational Committee. The subject areas of committees and ministries normally do not coincide. After the 2006 elections, the number of committees was increased, thereby making the division of labor among committees more similar to that among the ministries than in the previous term. The fact that task areas have not fully coincided has not infringed upon parliamentary oversight of the government. A mirror committee system may not be needed, as some departments have little in the way of a legislative agenda.

Audit office  
Score: 7

The Supreme Audit Office (SAO) is an independent institution that audits the management of state property and provides oversight on national budgetary spending. The president and vice-president of the Supreme Audit Office are appointed by the president of the republic on the basis of a recommendation by the Chamber of Deputies. An advisory board is appointed by parliament following recommendations from the SAO president; however, this was a source of conflict for several years, with parliament rejecting many of the president's proposals. The reputation of the SAO was damaged by an escalation of the conflict between its president and parliament in autumn 2009. The president was accused of financial irregularities over expenses, but refused to cooperate with an investigation by the relevant parliamentary committee. He claimed it lacked the necessary legal authority, and it did appear that the legal position

was unclear.

Ombuds office  
Score: 8

There is an independent ombuds office (Defender of Public Rights) which is accountable to parliament. It takes up complaints of administrative malpractice, comments on laws and reports to the Constitutional Court when appropriate. During 2009, it was approached with 7,321 complaints from the public, of which 53% were found to fall within its sphere of competence. In 461 cases, the ombuds office questioned the actions of the administration. Save for making its opinion public, however, the office has no powers. It has been given additional responsibilities under the new anti-discrimination law, which are to be fulfilled without an increase in resources, raising questions as to whether the government has been serious about the anti-discrimination agenda.

## F Intermediary organizations

### Media

Media reporting  
Score: 7

The main TV and radio stations provide daily news programs and some deeper discussion and analysis programs on a weekly basis. However, much of the commentary is superficial, and debates are usually structured to represent the views of the main political parties. There are very few presenters capable of asking searching questions of politicians. The quality of information on government decisions has improved with the digitalization process. Czech TV set up CT24, a channel dedicated to news, which also broadcasts on the Internet and offers continual analysis of domestic and international events. The Czech Republic's commercial media sector tends to eschew in-depth analysis of current affairs and instead follows an infotainment or scandal-driven news agenda.

### Parties and interest associations

Party competence  
Score: 7

The main Czech political parties present coherent and recognizable policies that fit into a traditional left-right spectrum. On the right, the Civic Democratic Party, as well as a number of other emerging parties with substantial public backing, argue strongly for an urgent rebalancing of the budget without higher taxes or an increase in the progressiveness of the tax system. They see no need for an anti-crisis agenda beyond one of maintaining low taxes on business and high earners, or of cutting taxes further when possible. The emphasis therefore has to be on cutting social spending and charging for social

services such as health care. On the left, the Social Democrats argue for continued state spending on social benefits and for an active anti-crisis program with state spending on infrastructural development. This is to be financed by a more progressive tax system, and they are more prepared to tolerate a budget deficit. The Communist Party has a similar bias toward supporting welfare spending and tolerating higher tax levels. However, its policy mix, including a reluctant attitude toward the European Union, appears more geared to attracting discontented voters than to providing a coherent framework for government. The outcome of the 2010 parliamentary elections points to increasing doubts in the country about the plausibility and sustainability of the Social Democratic program as well.

Association  
competence  
(business)  
Score: 7

The main employers' union and the main trade union center both have considerable resources and expertise with which to develop coherent policies. Trade unions have considerable competence with regard to labor relations and economic policy more generally, and have the ability to lobby ministries and parliament and to influence government directly through the tripartite consultation structures. Employers also have access to considerable resources, but have a slightly different agenda, favoring a less regulated labor market and lower business taxes. The two found common ground during the economic global crisis, when the economic interest associations became important partners for the government as it sought solutions which would ensure economic prosperity and societal cohesion.

Association  
competence  
(others)  
Score: 6

Interest associations have mushroomed in the Czech Republic since 1990. Currently, there are more than 85,000 civil society organizations. However, the ability of interest associations to propose reasonable policies is limited. Most of them lack the resources for high-quality policy analysis. Moreover, interest associations have only gradually been included in the policy-making process. The increasing presence of representatives of some civil society associations on advisory committees within ministries has improved their access to information and their opportunity to take part in debates. The Roman Catholic Church, the most active religious organization, has a limited political agenda and has largely focused on issues of direct concern.



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