The third sector and the policy process in the Czech Republic

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General introduction to TSEP Working Paper series

This paper is part of the **TSEP Working Paper series**, and is based upon work conducted by the authors within the Third Sector European Policy (TSEP) network. The primary, overarching objective of the network is to describe and analyse the trajectory of 'horizontal' (industry cross-cutting) European policy towards the 'third sector', understood as a 'multi-level process' (see Appendix for a Glossary of terms).

Individual members of the network share an expertise on the third sector in their countries, but come from diverse disciplinary backgrounds (including political science, sociology, and policy studies). Countries included are the Czech Republic, France, Germany, the Netherlands, Italy, Spain, Sweden, Switzerland and the UK. The sample includes:
 • Major geographical regions of the EU/larger as well as smaller countries
 • Different types of national constitutional structures and welfare systems
 • 7 established Member States, one new Member, and Switzerland

TSEP Working Paper 6

The third sector and the policy process in the Czech Republic: self-limiting dynamics

Third Sector European Policy Working Paper 6

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Executive Summary

The development of third sector activity in the Czech lands has suffered from the profound discontinuity in its political environment throughout the twentieth century. This era saw several twists and turns, as a consequence of switches between authoritarian and democratic regimes. It is symptomatic that NGOs have always significantly contributed to building or restoring of democratic relations, and repeatedly been the target of repression under authoritarian regimes. Therefore the third sector in the Czech Republic has not developed in an organic, evolutionary way, on the basis of a tradition of hard-won consensus, but rather in a spasmodic fashion, giving an impression of disunity, which undermines its ability to act in the interests of the sector as a whole.

Historical background

Following the fall of Communism in 1989 the third sector was re-established for the third time, drawing on the traditions of the interwar period, which could be described as the Golden Age of civil society in the Czech lands. The immediate impact of the political changes after 1989, however, did not only mean the quantitative expansion of the third sector. It also saw the beginnings of a process of consolidation of the sector's position in society. NGOs managed very quickly to build a solid (and relatively liberal) legal framework enabling the legal existence of independent NGOs and facilitating their spread in society. With substantial financial assistance and consulting activity from Western foundations, and support from the United Nations' Development Program and the PHARE Program of the European Union, Czech NGOs managed gradually to build a relatively stable internal infrastructure in the 1990s.

Emerging horizontality

There are several reasons why it is plausible to refer to an emerging third sector policy community in the Czech Republic. First of all there are now permanent discussion forums and conferences set up to analyse issues concerning the development of the whole third sector at a national level. The country-wide NGO conferences and attempts to establish a central umbrella organization represent examples of developing cross-regional and cross-industry horizontality in the Czech third sector. Other kinds of horizontality are expressed by the cross-regional network or discussion platform OKAMRK. The dominant role in third sector policy is taken by the Government Council for Non-State Non-Profit Organisations (the governmental advisory body). Its official objective is to create a suitable environment for the existence and activities of NGOs. The members of this body are representatives of the State (mostly from ministries), whose scope includes the implementation of State policies towards NGOs, and representatives of both regional administrative bodies and NGOs (who account for at least one half of the Council).

In comparison with its western counterparts, the Czech third sector is not large and is weak in the social welfare domain. This fact has had a significant influence on the current horizontal policy agenda of the Czech NGOs. Problems like unemployment or social exclusion are not mainstream topics of discussions in the Czech third sector community and policies in these areas are mostly discussed within vertical social or health fields, where the sector's presence is limited. The lack of interest in welfare also stems from problems with the consolidation of the sector itself. The Czech third sector policy community activities are mostly concentrated on internal affairs, and not on societal problems or the role of NGOs in its solution. Paradoxically, this is one reason why the internal and external recognition and organisation of the Czech third sector community is relatively well advanced.

Explanatory factors

Analysis of the Czech third sector's policy situation shows that the Czech third sector policy community is under pressure from strong and often opposing tendencies and factors from within and outside the community. Some pressures are supportive but the majority are negative for the process of third sector community institutionalization. Among the supportive factors we can count public policy centralization, civil servants' conservatism (which has stimulated the NGOs associative processes on central, regional and local levels for a long time), changes in the systemic government coalition and Europeanization in Czech public policy (which opened a space for inter-sectoral coalition building). This last factor has been decisive in the process of third sector horizontal community development.

The set of negative factors includes the limits NGOs themselves put on horizontal policy effort (to avoid the danger of a non-profit oligarchy, a self-limiting strategy was adopted, based on field and regional integration for the third sector); strong welfare state (social-democratic) traditions; cartelisation of the political scene; preference for representative over participative models of democracy; inconsistency of government third sector policy; negative third sector mythology; and the relatively strong position of old NGOs and fragmented recognition of the sector by the general public. In this working paper, two factors are identified as the dominant negative influence on the third sector policy community development: the NGOs' own limits on their horizontal policy effort and the inconsistency of government policy towards the sector. The first one means there is lower level of the consensus than would be needed to catalyse desirable policy change; and the second gives a large space for clientelism, which seriously hinders the institutionalization of a broad third sector community. Politicians and public servants prefer cooperative models of interaction with NGOs, without strictly set rules. This informal 'partnership model' contributes to a lack of opportunities for NGOs to enter the decision process. Thanks to the limits the third sector has put on its own horizontality at the central level, until now there have been no significant common efforts to change such a model - that is, for the sector itself to try to assert its position.

Conclusions

The combined effect of such negative factors almost halted the development of a third sector horizontal policy community on a central level in the mid 1990s. Their continuing influence on the community has counteracted positive impulses coming from the Europeanization process during the last five years. Thus the Czech third sector community is still fragmented along the old-new and centre-region lines, suffers from chronic under-institutionalization and has remained in an unresolved 'emergent' stage for over a decade.

Acknowledgements

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Foreword

While studies of the third sector as an economic and social actor, and their significance within particular fields of policy have grown significantly in recent years, their links to broader policy processes are poorly understood. This paper is part of an effort to fill that gap, and is one in a series which seeks to build our understanding of the nature of the third sector's relationship to the European policy process.

Putting together 'European public policy process' and the 'third sector' suggests an extraordinarily wide range of potential subject matter. This paper, however, has a very particular focus. It feeds into the wider process of knowledge building by developing an analysis of the relationship defined in three ways which limit its scope, but at the same time, which is assumed will ultimately be important in helping us understand the broader European landscape.

First, its primary explanandum is the *national* situation, looking at the position in just one of the nine countries in the TSEP network. The sub-national and supra-national levels feature here only to the extent they allow us to understand the national position. Later papers attend specifically to other levels and their interactions *per se*, but it is assumed that a deeper knowledge of national policy landscapes is a prerequisite to understanding how policy evolves at other levels.

Second, it attends to the third sector using the collective noun or nouns that dominate, or are most prominent in this country's own actually existing policy community or communities. This is important because language and terminology are themselves part of the policy process, providing symbols for mobilisation, as well as being bound up with resource allocation (see the first working paper in this series).

Third, here and throughout the TSEP network's research endeavours, we are interested in 'horizontal third sector-specific policy'. By this, we mean policies and practices that shape the environment of these organisations by virtue of their non-market, non-state arrangements for ownership and control, and which are not limited to their situation in a particular 'industry' or 'vertical field'. (The general meaning of these and other terms used to guide our research can be found in a glossary appendix at the end of this paper.)

In approaching this particular, but important dimension of the third sector policy process, we have taken additional decisions regarding the disciplinary and topical scope of our inquiry, which are reflected directly in the structure of this paper. Being politically and culturally embedded, national third sector policies are heavily influenced by historical conditions, so we need to at least sketch this formative background. The country's arrangements for building and consolidating its social welfare system have been central to this story. Indeed, our Working Papers show that often - but not always - it is third sector policy actors in and around the social welfare domain who occupy most of the (theoretically available) space for horizontal policy institution building. The papers also explore how three key problems, shared across Europe and linked to the social welfare domain in different ways, play into and are processed by, this component of the policy space: social exclusion, unemployment and (more broadly) governance

Furthermore, while we have noted that language is indeed at the heart of policy development, it is also important to be aware that rhetoric in this sphere of policy is often regarded as particularly prone to emptiness (Kendall, 2003). We have therefore sought to explicate not only the character of the policy discourse, but also to assess the significance of the associated institution building efforts. Wherever possible, the papers seek to point to the relationship between agenda setting and concrete implementation, and refer to the extent of economic and political investment in the process.

Most importantly, throughout the research, we have been guided not only by a desire to explicate *what* is happening, but also a wish to explicitly ask and move towards answering - the *why* question. Each paper seeks therefore to move from a descriptive stock-take of the national policy landscape to a synthesis of the factors which seem to have been particularly important in generating this situation.

In so doing, we have been guided by insights from the more general policy analytic literature. This has been cross disciplinary exploratory research in a new field, so it has not been possible to pre-determine too specifically the range of influences. But we have been aware that some of the most apparently successful efforts at policy process theorising in recent years have sought to judiciously combine structure and agency (Parsons, 1995; Sabatier, 1999). We, therefore, have sought to consider the potential and actual role of

- relatively stable institutional factors, such as broad constitutional design, and deeply embedded aspects of welfare system architecture;
- 'external' shocks and changes to these systems, associated with shifts in societal values, or unanticipated social movements; and
- the role of policy entrepreneurship, in particular the 'internal' role of third sector specialists - inside the sector itself, the State, and as part of the broader policy community - as catalysts, individually or collectively, of policy evolution. What beliefs, values and motivations have characterised those actors who have had proximate responsibility for shaping policy, and how have they been constrained or enabled by the structures that they inhabit?

The evidence base for this paper is two-fold. First, the paper builds on the expertise of the authors in research on the third sector for their own countries, including their familiarity with the national scholarly literature. Second, primary evidence was collected. As the TSEP network started countries presented descriptions characterising the *policy* activities and salience of the sector in their national case. The main data points for these reports were bi-lateral meetings with policy actors - including leaders from third sector bodies, policy makers within the public sector, or academics and other experts. Potentially relevant sources were identified using country-level Partner's familiarity with the general third sector policy community or networks in their country, and by 'snowballing' from actors identified in earlier meetings. Relevant events and fora were also attended and observed. Meetings were used to access documentary sources, in addition to those available publicly, and websites belonging both to third sector organisations and groupings, and to administrative units in government that had some responsibility for working with the sector, were also investigated. The balance between these different sources varied according to the specific national situation: where third sector umbrella groups or government units with a special focus on relationships with the sector were in existence, these formed the focus of research. Elsewhere, Partners were guided by the emergent and more informal activities of third sector actors, especially as they connected to key policy issues (including in relation to the shared European problems of unemployment, social inclusion and governance). Initial reports were produced in May 2003 and circulated, discussed and reviewed in an iterative process over the following two year period.

These are first and tentative efforts to move towards more systematic accounts of third sectors' places in policy processes, but we hope they will provide a platform in the years to come.

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June 2005

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1. Introduction

Despite the impressive growth in the number of NGOs after the communist party lost its monopoly on power in 1989, the size of the third sector in the Czech Republic remains relatively limited. On an international scale, the level of non-profit activity is below average (Salamon, Anheier et al., 1999). [1] On the other hand, in comparison with the other countries of Central Europe, the Czech Republic's third sector is by far the most developed. From a legal point of view, the sector includes civil associations, foundations, foundation funds, public benefit corporations, churches and church-run organisations.

The third sector in the Czech Republic consists of a considerable number of organisations and is still growing. In 2003, there were 48,804 civil associations with 30,878 organisational units established as legal subjects. There were 322 foundations, 799 foundation funds, 609 public benefit corporations and 4,797 church related organisations. Although the contribution of the nonprofit sector to the economy is relatively small (estimated between 1.8 and 2.2% of GDP), the sector has become an important employer. In 2000 it employed 1.8% of the Czech workforce (Frič et al, 2004). In 2003 almost half (47%) of adult Czech citizens proved that they are members of NGOs (Vajdová, 2004a). The largest number of members belonged to sport and leisure organisations (16%) and community development and housing organisations (15%) followed by trade unions (10%), culture (7%) and organisations relating to the churches (6%) (Frič et al., 2003).

Under the communist regime the overwhelming majority of independent NGOs were either closed down or centralized and fully in the control of the communist party and State. These State-owned organisations were those where the communist government felt the need to guarantee - by the law - that the 'working people' be provided with certain services (above all social or health care), or, wanted to use them for political benefit (mostly in the area of education). The State-maintained 'nonprofit organisations' - so-called budgetary and contributory organisations - still exist and compete with the autonomous third sector. In the social welfare domain they continue to represent the dominant form for providing services and managing citizens' problems, which is why the Czech

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[1] Our analysis adheres to the working definition with which the TSEP project started (see Appendix 1), which in turn ties in with Salamon and Anheier.

third sector in these areas is significantly smaller than in the West.[2] The communist inheritance is manifest in a much higher proportion of the workforce employed in the so-called expressive fields: culture, sport and recreation, professional, environmental and advocacy (Salamon et al, 2003).[3]

After fifteen years of evolution in democratic circumstances, the sector has still not been fully consolidated and must cope with the inheritance left by its long-term disadvantaged position in society during the communist era. The process of sector consolidation must both eliminate external barriers to its development and allow the sector itself to develop and mature at the same time. The Czech third sector is in the process of consolidating not only its separate structural parts, but also itself as a whole, a process that involves correcting the distortions within it and creating internal connections and structures that will make it into a distinctive entity. Among the most important of them is the process of its horizontal (cross-industry) community development. This process is one of the main foci of analysis in this paper, with special attention to its condition in relation to the problems of unemployment, social exclusion and governance.

2. Twentieth century historical development

Discontinuity

The history of nonprofit activities in the Czech lands goes back to the Middle Ages and is closely linked to the activity of the Catholic Church. Over several centuries, however, the Church gradually lost its dominant position and by the second half of the 18th century most philanthropic activity was secular. The main impulse in the development of foundations and associations came with the National Revival of the 19th century, which culminated in the establishment of an independent Czechoslovak State in 1918. The development of the third sector in the Czech lands in the twentieth century suffered from discontinuity in its societal environment. This era is relatively rich in profound turns and changes, which took place as a consequence of switches between authoritarian and democratic regimes:

- 1918 saw the end of Habsburg monarchy, and the establishment of the first independent, democratic Czechoslovak Republic;

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[2] For detailed figures see Salamon et al. (1999).

[3] The communist governments supported the voluntary organisations in these areas for reasons of ideology and prestige. They would never include them in the State appartus, however, and wanted to give an illusion that they were not only really voluntary but also that they were autonomous, self-governing organisations.

- 1939 witnessed German occupation of the Czechoslovak Republic, and establishment of the Protectorate of Bohemia and Moravia;
- 1945 saw liberation and restored democracy in the Czechoslovak Republic;
- 1948 was the time of the communist coup, which installed a dictatorship of the proletariat;
- 1968 brought the Prague Spring and the 'democratization' of socialism, but then occupation of the republic by the Soviet army and troops of Warsaw Treaty Member-States;
- 1970 was a period of normalization and the re-consolidation of power by the Communist Party;
- 1989 witnessed the 'Velvet Revolution' and democracy restored.

Paradagmatically, NGOs have always significantly shared in the building or restoration of democratic relations - and have always been the target of severe repression under authoritarian regimes. The third sector in the Czech Republic has not, therefore, developed in an organic, evolutionary way on the basis of a tradition of hard-won consensus, but rather in a spasmodic fashion, giving an impression of disunity, which undermines its ability to act in the interests of the sector as a whole.

Golden age

Following the fall of Communism in 1989 the third sector was re-established for the third time, drawing on the traditions of the interwar period, which could be described as the Golden Age of civil society in the Czech Lands. The societal position of NGOs in this era was very strong not only because they had an image as new State builders, but also because they helped to solve some of the painful social problems of post World War I period. They focused on supporting war invalids, orphans and widows and during the global economic depression in 1931 - 1936 it was mainly the problems of unemployment, poverty and health care that attracted their attention. Therefore the NGOs, which co-operated with government in tackling these issues, benefited from special status and treatment from the authorities.

> Besides public social care provided by municipalities, districts, lands and State, also non-state institutions and foundations, shared the action and helped solve social problems. A special position was enjoyed by so-called semi-official entities of social care. This was the name for the associations collaborating in social tasks with the bodies of public care and which had also some official powers and authorities. These

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associations enjoyed a dense network of branches devoted to preventive health and
social tasks and were in charge of supervision over some institutions, children's
homes, health establishments, represented children and young adults before the
criminal court, etc. (Tůma,Vaněk and Dostál, 2001)

The golden period, however, was brought to an end by the German occupation and the Second World
War. During the war many members of NGOs were engaged in the resistance movement.[4]

Communist darkness

Four decades of Communist rule restricted and disfigured the organic development of the nonprofit
sector. Shortly after the Second World War (in 1948) the Communist Party introduced the totalitarian
system, which eliminated the existing associations of civilians in favour of centrally managed mass
organisations. The property of private associations and foundations was confiscated and
brought under State (i.e. Communist Party) control. All legal organisations were federated in the
National Front, which lay at the heart of the Communist Party's system of power. Trade unions and
professional associations received generous subsidies from State coffers in return for strict control by
the Communist Party. As they were interested in keeping the population satisfied and preoccupied,
the Communists also lavished State support on organisations in the area of culture, sports and
recreation, including a wide range of hobby clubs, from chess players to beekeepers. At the same
time, there was unambiguous State take-over of those third sector organisations that had been active
in the area of education, health and social care. The socialist welfare State essentially became the
monopolist provider of services in these areas. This was the beginning of the tradition of State
paternalism and a centralist approach to solving social issues and problems in the Czech Republic.
The State administration was adapted to fulfil this monopolistic role. For this purpose, during the
communist era the state built a relatively extensive network of state owned 'nonprofit' organisations
in the social welfare domain. The relevant organisations were essentially 'budgetary and
contributory' organisations, directly reporting to the line ministries. State ownership and control in
this domain was to stay remarkably constant, despite the change of regime in 1989.

The so-called socialist regime strived to transform voluntary, nonprofit activities into tools for the
fight against the enemies of socialistic revolution. People fought against local and foreign capitalism
with their enthusiasm i.e. philanthropy for the 'socialistic establishment' under the leadership of the

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[4] The most important among them was Sokol – the sport and physical training organisation, which has long
traditions and a huge membership. Excepting trade unions, Sokol is still the biggest civic association with
190,000 members.

Communist Party. Everybody had to undertake 'voluntary' work for the benefit of socialism without being able to request any payment. In the eyes of the people volunteering therefore came to represent either work under political pressure or 'cringing towards the regime' in an attempt to build personal careers. The basic feature of this so-called 'volunteer work' was therefore its lack of authenticity, and the Communist party failed to integrate voluntary activities into the process of modernization of society.

Consolidation of third sector after 1989

Notwithstanding the continuity outlined in the social welfare domain, the economic and moral crisis of the communist regime represented a more general opportunity for independent civic initiatives. During the 1980s these initiatives (in spite of the communist state repression) had created a so-called 'underground' or 'quasi-underground' civil society. The activities of citizens and their organisations (like Charta 77, Committee for the Defence of the Unjustly Persecuted, the Czechoslovak Helsinki Committee and others) culminated in 1989 and to some extent contributed to the change in the political system.

There is no doubt that it was the fundamental political changes in 1989 that enabled the development of the third sector, which was unthinkable under socialism. The most obvious evidence of that is the rapid growth in the number of third sector organisations during the last decade of the 20th century. After the 1989 political coup, their number rose steeply. At the end of 1992 almost 20,000 organisations were registered, and about 33,000 existed by 1995 (of which over 4,000 were foundations) (Šilhánová at al., 1996). The number of third sector groups in the Czech Republic is still growing and reached 51,000 organisations in 2004.[5]

The immediate impact of the political changes after 1989, however, did not only mean the quantitative expansion of the third sector. The sector also started to consolidate its position in society, although the move to recover and build the third sector was limited by many factors. NGOs lacked everything: property, money, a high-quality legislative framework, traditions, professional background and experience, information networks and the entire service infrastructure (training and educational centres, volunteers, and so on). In the first months, and perhaps even years after 1989, political developments resulted in a massive surge of enthusiasm for making the situation in the Czech Republic democratic. Under its influence the idea that building civil society is an integral part

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[5] It should be added that not all registered NGOs are active organisations. NGOs in the Czech Republic have no duty to cancel their registration when they cease working.

of transition to a democratic society with market economy became widely held. This view, which was already cherished in dissident circles, now penetrated political and public administration, and the representatives of NGOs could reckon with friendly, helpful attitudes from politicians and officials. NGOs managed very quickly to build a standard (and relatively liberal) legal framework enabling the formal existence of independent NGOs and supporting their mass dissemination in society. With substantial financial assistance and consulting activity from western foreign foundations, support from the United Nations Development Program and from the PHARE Program of the European Union, Czech NGOs also gradually managed to develop a relatively stable internal infrastructure, which is dominated by the web of umbrella organisations.

It was generally expected that with the support of democratically-elected political representation the removal of the above-mentioned deficits or weaknesses would proceed swiftly. At first, it looked as if this would happen. The earliest legislative changes created wide opportunities for people associating and setting up new NGOs. In time, however, the creation of the legislative framework began lagging markedly behind developments in the third sector itself and the consolidation of its position in society slowed down. The wave of democratic enthusiasm vanished relatively quickly and we saw the first disputes and conflicts between the representatives of government and the third sector. The attitudes of the government towards attempts to strengthen the role of third sector in society and consolidate it internally started to changed as they confronted the problems of governing. Although the line of particular governments was different, it became apparent that there was a general change for the worst in the field of consolidating the third sector. The explosive growth in NGOs was not accompanied by adequate changes in the system of state support for the sector, by the passage of appropriate legislation, or any fundamental change in relations between the State and the third sector. While the commercial and public sectors were enjoying considerable attention and significant financial support from government during the transformation process, the problems of the third sector were being given relatively little consideration - and there was a particular problem of acute under-finance.

3. Definitions and typologies: A contested terrain

Mosaic of collective nouns

How have the organisations struggling to assert themselves in this way come to be known? As far as terminology in general is concerned the situation in the Czech Republic is quite chaotic. A number of titles are often used to describe the same thing. For instance, besides the terms 'Nonprofit Sector',

'Nonprofit Organisations' and 'Non-State Nonprofit Organisations', one can frequently hear labels such as the 'Civic Sector', 'Non-Governmental Sector', the 'Third Sector', and 'Voluntary Sector', or 'Civic Organisations', 'Non-Governmental Organisations', and 'Voluntary Organisations'. Even a document of the importance of the National Development Plan (NDP) does not use a unified terminology. For example, in 1999, the NDP used terms such as 'Non-State Non-Profit Organisations', 'Nonprofit Organisations', 'Nonprofit Sphere', 'NGOs', and 'Non-Governmental Institutions' almost interchangeably, while the NDP of 2003 uses two terms only 'Nonprofit Sector' and 'Non-State Nonprofit Organisations'. Thus over time, terminology may be beginning to consolidate. The third sector arena seems to favour the following collective nouns: 'Non-State Nonprofit Sector', 'Non-State Nonprofit Organisations', 'Nonprofit Sector', 'Nonprofit Organisations', and 'Civic Sector', or the analogous 'Civic Organisations'.[6]

The use of multiple collective nouns for the third sector in the Czech Republic has not been driven by the effort to identify specific components or different facets of the situation. The motivation behind the use of varied terms is entirely pragmatic and related to the varied perspectives of different stakeholders. The dominant use of 'nonprofit sector' is due to unwillingness to break with tradition[7] and the relative conciseness of the expression. This specific term is not backed by any particular group of stakeholders. The term 'Non-State Nonprofit Sector' is promoted mostly by university-based experts in economics, public servants, and by related third sector representatives who favour its 'precision,' because it allows them to distinguish between state (budgetary and contributory) and non-state nonprofit organisations (NGOs). The term also allows public servants to explicitly pursue different policies towards the state-based and non-state organisations (legislation and financing). The motivation for the use of the 'Civic Sector' label mentioned above is its 'positive connotations'.

It is clear that the plurality of collective nouns does not provide a good basis for the public visibility of the sector as such. The existence of a mosaic of terms delineating the same thing but with different accents hinders media recognition and public discussion of the Czech third sector. This situation produces awkward misunderstandings, supports the continuation of cleavages among NGOs and leads to confusion within internal discourses generated by third sector community building.

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[6] Recently the new term 'civil society organisations' has been discussed mainly under the influence of CIVICUS research initiative, the 'Civil Society Index' (Vajdová, 2004b).
[7] This was only reinforced by the Johns Hopkins University Comparative Third Sector Project (second wave) conducted at the end of the 1990s by Lester Salamon's team.

Old and new NGOs

One of the key results of communist era has been the division of the Czech third sector into the so-called 'old' and 'new' NGOs (Frič, 1998). The old organisations are those with roots in the Communist period, while the new NGOs have emerged since 1989. From a quantitative perspective, the new NGOs are clearly much more numerous, while the old NGOs can boast a considerably larger number of members (Frič et al, 2003). Old organisations are concentrated in professional advocacy, sports, recreation and leisure, while the new NGOs dominate in areas such as human rights, environment, and health or social services (autonomous groups supplementing the 'budgetary and contribution' State controlled 'nonprofits' mentioned earlier).

TYPOLOGIY OF CZECH NGOs **by their interest orientation and type of activity**		
(N=1052 NGOs)	**Type of activity**	
Interest orientation	**Service**	**advocacy**
Mutual benefit	**old NGOs (21%)** - sport, recreation - community development	**old NGOs (5%)** - trade union - professional organisations
Public benefit	**new NGOs (59%)** - charity, - social care - health care	**new NGOs (15%)** - ecology - human rights protection

Source: Frič, 1998.

It is necessary to emphasise that this distinction between the old and new NGOs has not had any impact on the number of terms used to denote the third sector, hence it does not depend on the terms used! Public political figures still maintain the appearance that there is no difference between the old and new NGOs, since most of them belong legally to the civil associations' category (formally there is no legal difference). For this reason politicians make no distinction in the terms they use.

4. Third sector specific horizontal policy architecture: key facets

Third sector community

There are several reasons why it makes sense to speak about an emerging third sector policy community in the Czech Republic. First of all there are permanent discussion forums and conferences that analyse issues concerning the development of the whole nonprofit sector. These include the

periodic NGOs' meetings at the Field Conference of Local, Regional and Communitarian Activities (OKAMRK), the conference for foundations active in the Czech Republic (held by Donors Forum), or the annual assessment of the nonprofit sector by experts and NGOs' representatives organised by the VIA foundation in cooperation with USAID. Furthermore, NGOs representatives have met regularly at National Conferences[8] where some of them have tried to establish a nationwide umbrella organisation. Until 1997, these conferences were initiated by an informal coordinating unit, the Permanent Commission of Conference (SKK). The Fifth Conference terminated the existence of SKK and proposed the formation of a new joint body - the Non-profit Non-governmental Organisation Council (RANO). However RANO was not a membership organisation, had only very poor institutional foundations and never worked in accordance with the original ideas (for example over five years it was not able to initiate a single National Conference).

The Sixth National Conference was held in Prague in October 2003 under the title: 'Forum of Non-State Nonprofit Organisations before the Accession of the Czech Republic to EU'. At this conference, the nation-wide Non-State Non-profit Organisation Association was established (ANNO *Asociace Nevládních Neziskových organizací*). This initiative was prepared and initiated by representatives of RANO and the cross-regional NGO initiative or discussion platform OKAMRK. However as a brand new umbrella organisation ANNO still has low membership[9] and has not yet built credibility in the eyes of several (Prague-based) big intermediary bodies or public authorities. The ANNO membership represents mainly the new service NGOs (39 members) and regional or local NGO associations - the new advocacy organisations (13 members). There are only three old advocacy NGOs within the Association and the old service NGOs are completely missing. Even more importantly there are no foundations among the ANNO members. It is evident that representatives of the strongest, central (Prague) foundations are mainly sceptical about the ANNO. This is also an important sign that the Czech third sector community is split not only according to an 'old-new' line, but also along a 'centre-regional' divide. The chronic problems with building a nationwide umbrella organisation indicate the permanent under-institutionalization of the third sector horizontal community at the central level.

On the other hand, it could be said that the nation-wide NGO conferences mentioned above significantly contributed to communication across fields and helped develop more precise visions of the interests of the third sector as a social actor, contributing to a sense of global identity. Despite the fact that the Czech third sector is split into old and new parts and that the process of strong nation-

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[8] To date there have been five of these National Conferences, held between 1991 and 1997.
[9] The membership is about 50 NGOs, but among them are also included about ten regional or local associations of NGOs.

wide NGO coalition building is incomplete, the self-consciousness of the Czech third sector community *has* been increasing. This could be seen in the document: 'Strategy for Development of the Non-Profit Sector'[10], the main goal of which was to encourage the third sector to reflect on itself and strengthen its ability to work upon itself; on its internal infrastructure.

The existence of nation-wide NGO conferences and attempts to establish a central umbrella organisation (RANO or ANNO) represent emerging cross-regional/industry horizontality of the Czech third sector on a central level. Other kinds of horizontality are represented by the cross-regional network or discussion platform OKAMRK. This network has no central presence, although it organises nationwide. OKAMRK is therefore essentially the Field Conference of Local, Regional and Communitarian Activities. Though it has an overall working group this does not meet in a stable location and has no ongoing formal organisation. Here we should say that the origin of OKAMRK was not only as a response to the great interest of NGOs in sharing expertise in preparing documents to apply for funding from the EU structural funds, or to the relatively limited interest of the public administration in involving a wider circle of NGOs in this process. The most important factor was the initiative of regional coalitions of NGOs, i.e. centres for community work (CpKP). This was driven by the inability of RANO (i.e. the central platform of Czech NGOs) to intervene to facilitate or increase the involvement of NGOs in the preparation processes, especially in relation to new service NGOs.

The dominant role in third sector policy activity is played by the Government Council for Non-State Non-Profit Organisations (RVNNO - the governmental advisory body), whose official objective is to create a suitable 'environment for the existence and activities of Non-State Non-profit Organisations'. This governmental organisation is formed by state representatives (mostly from government departments), whose scope includes the implementation of state policies towards NGOs, representatives of regional administration bodies and finally NGO representatives, who account for at least one half of the Council members. The Council is chaired by a government minister (the so-called 'minister without portfolio'). To cover the different fields of its activities, the Council has established three committees: the Committee for Regional Cooperation, the Committee for Cooperation with the EU, and the Committee for the Foundation Investment Fund (NIF).

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[10] This document also includes a section of specific recommendations to government. Its creation was supported by organisations from all three major segments of society - by the Government, by NGOs (several dozen representatives of various NGOs participated in its drafting), as well as by businesses. Even the EU provided assistance throught its PHARE Program. The writing of the final version of the strategy was preceded by a whole year of intensive preparations, problem-solving, brainstorming sessions and draft versions, which were presented to and commented on by an extensive circle of critics and opponents. Within NGO circles the process sparked a wide-ranging and heated debate about the mission and role of the nonprofit sector within society in general. On the other hand the government completely ignored it. See Fric et al. 2000.

Box 1: The origins of the NIF

In mid 1992 the Government brought in an initiative to take 1% of all shares in the second wave of 'voucher privatization' which followed the Velvet Revolution, to be subsequently deposited with the NIF. The nominal value of the assets created in this way came close to three billion Czech Crowns (about 90 million Euros). The Council for Foundations - renamed as Government Council for Non-State Non-Profit Organisations - was set up at the Office of the Czech Government in 1992. One of its tasks was to help government to distribute the money from the Foundation Investment Fund.

The latter Committee had emerged in the context of a strand of privatisation that followed soon after the Velvet Revolution (see Box 1). The role of the Committee for Cooperation with the EU is also of some interest. Its aims are to keep the government informed about the status of NGOs in the EU, to formulate suggestions on how better to use state money for nonprofit sector development, to look for other financial resources for NGOs and to cooperate with State bodies in order to access these resources. From the records on the committee's website[11] one can see that the members recently discussed the accession process, the potential opportunities for NGOs to receive money from EU structural funds, the activities of Czech NGOs relating to the meetings of integration institutions, the contribution of NGOs to the National Development Plan construction and so on. Thus RVNNO represents another important discussion platform where collective identity and horizontal relationships among different types of NGOs may be strengthened.

Third sector infrastructure

One of the key elements for the advancement of the general identity of the third sector in the Czech Republic is the existence of NGOs whose mission includes developing, supporting, defending and fighting for NGOs' interests in general. It is these NGOs that provide the key individuals who organise common NGO gatherings and who initiate and lobby for legislation that would favour the field and for a better financial and legal environment for NGOs. Such horizontal 'intermediary bodies' or key players also represent the third sector to top officials in the administration and shape the image of NGOs in the eyes of the general public. These 'leader' NGOs (intermediary bodies) are also capable of gathering the funds necessary to provide various services for other NGOs and have helped build service networks for the third sector. For example, in the Czech Republic, these groups have fulfilled the following roles:

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[11] See Hhttp://wtd.vlada.cz/scripts/detail.php?id=3464H)

o Organising an annual PR campaign called '30 days for the Civic Sector'. The NGOs involved include the Information Centre of Nonprofit Organisations (ICN), the Agency of Nonprofit Sector (AGNES), the Foundation for Civil Society Development (NROS), the Donors' Forum (FD), and others. This campaign conducted by the 'leader' NGOs is joined by dozens or hundreds of smaller, regional or local NGOs with their own agendas - and all of them are covered by the '30 days for the Civic Sector of Society' motto.

o Publishing magazines for a wide spectrum of NGOs (for example ICN magazine Grantis, Civic Association Econnect magazine ECONNECT, CpKP - Center for Community Work - magazine NNOVINY).

o Building and running NGO 'information centers' and databases, bringing together NGOs from different fields. They also maintain websites (EUROPEUM, ICN, OMEGA, NROS, VIA Foundation).

o Creating or supporting the establishment and operation of advocacy centres (like the Green Circle) or ad hoc advocacy groups (such as FD), which lobby for the adoption of laws favourable for the advancement of the third sector (such as the civic association SPIRALIS).

o Facilitating the formation of local or community coalitions and build networks of local and regional NGOs (e.g. CpKP, Open Society Fund).

o Establishing foundation consortia to conduct projects focusing on third sector development (such as VIA Foundation with its program called 'CEE Trust - Institutional Development of Non-State Nonprofit Organisations'), or provide grants for developing the third sector infrastructure (e.g. NROS, Open Society Fund, VIA, Civilia Foundation).

o Offering training courses for NGOs representatives. For example AGNES conducts a year-long course on nonprofit organisation management, ICN offers a number of courses on the topic (attracting most interest in their course devoted to fund rising), the Donors' Forum (FD) holds courses focused on economic aspects of foundation management, NROS provides regional seminars focused on EU-NGOs' issues, the volunteer service center HESTIA deals with the issues concerning management of volunteers etc.

The existence of a service infrastructure for common NGOs activities, the implementation of projects developing the third sector and joint PR events, and periodical publication all help to facilitate horizontal communication between NGOs concerning third sector issues and contribute both to the building of collective identity and to the formation of a third sector community in the Czech Republic. On the other hand it is interesting that the vast majority of these intermediary bodies (Czech leader NGOs) are located in Prague and are not members of ANNO. Also the majority of the

intermediary bodies are, or, were funded largely from foreign sources (Western foundations or EU sources, such as PHARE).

5. Review of current horizontal agenda content and priorities

Consolidation

As discussed above, the Czech third sector is still relatively small and in comparison with western counterparts is weak in the social welfare domain. This fact has significant influence on the current horizontal policy agenda of Czech NGOs. Problems like unemployment or social exclusion are not mainstream topics for discussion in the Czech third sector community. Employment policy and social inclusion policy are mostly debated within the social or health fields. This lack of interest in welfare also relates to the problems with the consolidation of the sector itself. For example in the document 'Strategy for Development of the Non-Profit Sector' the bulk of problems and priorities identified, needing strategic intervention, relate to third sector consolidation (like building the sector service infrastructure, completion of NGOs' legal framework, decentralisation of the system of state subsidies, tax relieves, fundraising, global grants for the development of civil society, receiving money from EU SF etc). The same picture is revealed in other strategic NGO documents, projects and activities.[12] Also the last NGOs' National Conference (held on October 2003) focused its attention only on sector consolidation problems ('tax assignations' i.e. preparation of the act allowing taxpayers to give 1% of their personal income tax directly to NGOs[13], building partnerships on regional and local levels, financial support of NGO projects applying for money from EU SF etc).[14] Even the documents and the formal internal structure of the RVNNO display the same dominant orientation towards the problems of third sector consolidation.[15] Czech third sector community activities are, in sum, mostly concentrated on the sector itself and not on societal problems or the role of NGOs in their solution.

Typically, welfare issues remain isolated in third sector discourse and do not mobilise NGOs horizontally across particular fields or industries. We can only speak about field horizontality where

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[12] See for example the OMEGA publication „Průvodce neziskovým sektorem EU I. a II.' (Guide of EU Non-Profit Sector Vol. I. and II.) or the VIA foundation attempts to find 'The White Places of Non-Profit Sector'.
[13] The so-called 1% law had already been accepted in Hungary and Slovakia.
[14] For more information see http://crdm.adam.cz/download/forum_NNO/Forum_NNO.pdf or www.crdm.cz/forum.
[15] See for example the latest report RVNNO on the state of nonprofit sector in the Czech Republic (Vajdová, 2004a).

NGOs are associated around particular problems and create their own community. The typical examples of this are: a) SKOK - Club of Field Conference of Nonstate Non-Profit Organisations in the social and health/social field (with 80 members), b) ČRHO - Czech Council of Humanitarian Organisations (about 200 members), c) NRZP - Czech Council of Health Handicapped People (about 70 members). These intermediary bodies (who speak above all in the name of new service NGOs) have focused their attention on the problems of people in need, handicapped people or excluded (marginalised) groups. However they have also encountered problems of consolidation i.e. the NGOs' weak position in comparison with the state contributory organisations. Competition with these has in fact been a consistent element of the field horizontal agenda since the early 1990s. Reforming legislation in 1990 had failed to alter the status quo in relation to state control. Therefore the principal part of autonomous NGOs' policy agenda in the social welfare domain during the last ten years has included work on the preparation of a new Act on Social Services and on construction of a regulatory framework: Social Services Quality Standards. From the mid 1990s there was a set of meetings and field NGOs conferences where the proposals contained in these documents were discussed.

NGO representatives also demanded at this time the transformation (or privatization) of the legal status of the former state-sponsored budgetary and contributory organisations, so they would also be categorised as NGOs. Autonomous NGOs have demanded equal access to public funding for all providers of public services, because currently their projects can only be covered by state funds for up to 70% of their costs[16] - while the the state contributory organisations can receive 100% of their costs. Another failing in the system of public financing from autonomous NGOs' point of view is the fact that money is granted only on a short-term basis. Funds are allocated annually, which means that financing for long-term projects must be applied for every year. This system leads to an undesirable level of insecurity among NGOs - they have no guarantee that projects that they have started can be completed. This insecurity puts NGOs at a disadvantage compared with contributory organisations, which receive funding automatically and do not have to apply for it for individual projects.

Unemployment

How does the third sector link to the European problem of unemployment? This is 'in the hands' of the NGOs - in particular, the old ones - who have latterly participated in the development of the EU's National Action Plan on employment (NAPempl) document[17] and who operate alongside the

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[16] However if we look at the national average it is only 50% (Schwarz, 2003).
[17] The Czech government approved the first NAPempl in Czech Republic in February 2001. Since then it has been renewed annually. The main guarantor for developing the NAPempl is the Ministry of Work and Social Affairs, but generally, its preparation and implementation is shared among several different ministries.

activities of the TRIPARTITA social partners: i.e. Trade Unions (Českomoravská konfederace odborových svazů and Asociace samostatných odborů) and employer unions (Svaz průmyslu a dopravy Czech Republic, Konfederace zaměstnavatelských a podnikatelských svazů Czech Republic). Since 2002 the Czech Union of Women (Český svaz žen) has also been involved in preparing the fourth pillar: 'Enhancing equal opportunities of men and women' and assigned to develop a project focused on harmonizing work and family life. New service NGOs do not pretend to be members of TRIPARTITA. For a long time they did not even show any real interest in nominating their representatives to ECOSOC, due to a lack of awareness and knowledge. As a consequence, until autumn 2003 civil society was represented in the relevant Czech body only by professional organisations and guilds. However, a shift in the attitudes of new NGOs took place after an educational trip by several dozens of their representatives to Brussels in June 2003.[18] Their sudden interest in nominating representatives to ECOSOC stoked opposition from the old professional (advocacy) NGOs. In the end the central state administration decided that professional organisations could not represent the entire range of organized civil society and nominated three NGO intermediary bodies (NROS, ICN, SKOK) and only one professional organisation to the Group 3. This is perceived by the intermediary bodies (representing the 'new NGOs') as great victory.

Social exclusion

The specific problem of social exclusion has influenced the NGOs horizontal community building process in the field mainly through the participation of NGOs representatives in the creation of the EU's National Action Plan on social inclusion (NAPsi)[19] and other government documents in the social field, such as The Strategy on Roma Integration[20], National Plan for Equalisation of Opportunities for People with Disabilities[21] or the National Programme on Preparation for ageing 2003-2007.[22] It is obvious that in the case of NAPsi, in comparison with NAPemp,l collaboration among NGOs is crossing the border between the old and new part of third sector[23] and the range of horizontal policy effects of this document are much wider.

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[18] This action started as the original project of NROS with intention to provide Czech NGOs with vital information about the role of NGOs in EU (the project received financial support from the VIA Foundation). For more detailes see Final Report, 2003.
[19] Accepted by Czech Government Resolution No. 730 on July 21, 2004.
[20] It was first adopted by Czech Government Resolution, No. 599 of 14 June 2000,
[21] The NPEO was formulated by the Government Board for People with Disabilities and adopted by Government Resolution No. 256 of 14 April 1998.
[22] The programme was adopted by Government resolution No. 485 of 15 May 2002.
[23] Beside of several old advocacy or mutual benefit NGOs (Association of Regions - Asociace krajů ČR, Association of Towns and Municipalities - Svaz měst a obcí ČR, Trade Unions - Českomoravská konfederace odborových svazů, Association of Industry and Trafic - Svaz průmyslu a dopravy, Association of Czech and Moravian Producer Cooperatives - Svaz českých a moravských výrobních družstev) we can find among the

Governance

Czech NGOs see the problems of governance mainly as problems relating to intersectoral partnership or working with government. In this sense the term 'partnership' came to the NGOs' attention in connection with the process of the Czech Republic's preparation to access the EU Structural Funds. It is generally accepted that the principle of 'partnership' was applied in this process under pressure from the EU (GAC, 2003: 172). NGOs are aware that without this pressure, they would find it difficult to participate in the creation of National or Regional Development Plans. Some formulations in the Czech National Development Plan (NDP) suggest that the Czech authorities comprehend the partnership principle in a very narrow way, as a process of appeasement between the state and the wider public, and that most attention is devoted to the relationships between unions and employers. NGOs are in a state of permanent tension with official authorities on application of the partnership principle and try to spread the consciousness of this principle to the wider public. The partnership principle is regularly discussed at NGO conferences and also at management courses arranged by NROS (supported by PHARE programme). The weight of this principle in third sector policy can be also seen in the fact that NGOs have initiated and paid for sociological research focused on this subject.[24]

6. Review of implementation of the third sector horizontal policy agenda

Sector consolidation - achievements and failures

According to interviews with representatives of the intermediary bodies, these organisations were most successful in pushing through their requirement to <u>obtain funding from the NIF </u>(Foundation Investment Fund; Box 1 *supra*), involving distribution among the selected foundations according to the guidelines formulated by NGO representatives in the RVNNO.[25] The key player in this process was the Donors' Forum (FD) which established a special ad hoc group for parliamentary lobbying. NGOs had to resort to sustained and energetic lobbying to obtain approval for drawing funds from the

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NAPempl participants also three new service NGOS (Association the Czech Catholic Charity - Sdružení Česká katolická charita, Society Man in Straits - Společnost Člověk v tísni and Czech Council of Health Handicaped People - Národní rada zdravotně postižených).

[24] The research was initiated by CpKP in co-operation with NROS. See GAC, 2003.

[25] The money in the NIF remained intact for several years (during the first and second government of Václav Klaus 1992-98). But in Parliament several MPs suggested its use for purposes not in support of third sector development: there have been very real threats from this source that the third sector would lose this money (for more details see Frič 2000: 72-73).

NIF. These activities brought about an unexpected result as well - the establishment of SPIRALIS, an advocacy NGO, which has focused solely on professional lobbying to promote NGOs.

The major failures of the NGOs' consolidation policy seem to be in their repeated efforts to influence changes in the legislative framework - especially in relation to a proposed new Law for associations. Despite continuous efforts by NGOs, the legislation needed to provide an appropriate legal structre for associations and clubs has not been passed by Parliament. In general, according to NGO activists and legal experts for third sector issues, laws affecting non-governmental organisation activities are riddled with shortcomings and ambiguous passages allowing for different interpretations (VIA, 2002). Intermediary bodies' representatives have been actively discussing problems related to the existing legal situation, and have tried to influence the legislative processes to provide the required solutions. On the other hand, the efforts of the Czech NGOs in the legal field are not unified and systematic. Legislative activities of particular intermediary bodies, NGOs or even individuals have not found support from the bulk of NGOs, and tend to represent only particular interests.

Other failures in the sector's attempts to consolidate their community include their inability to influence the centralized state subsidy system, which has persisted since the communist era. A lion's share of financial support for Czech NGOs comes from the State, with organisations working in the welfare areas of health, social care, and education and research receiving the greatest share of their funding from state coffers (60%, 59% and 55%, respectively) (Frič, 1998). Unfortunately, despite the dramatic transformation of the third sector since 1989, the state subsidy system of NGOs activities has remained essentially unchanged since the Communist era. Its much needed reform has been disputed by government and opposition politicians for more than ten years. The disputes have yielded only a few cosmetic changes related to the unification of the NGO-funding policies at the different ministries. The real problems - the excessive centralisation of the whole system and the privileges of the old NGOs at the expense of the new ones - have not yet been addressed properly at the government level. The only change to the system of state NGO funding has consisted in the gradual shift of the bulk of the financial volume from sport to the sphere of social services (Rozbor, 1998-2003). But it is questionable whether this shift is the result of successful lobbying by new service NGOs or is the outcome of the permanent pressure of new social problems (exclusion, poverty, Roma minority, handicapped peoples…) on the overloaded capacities of the Czech welfare system.

Social welfare domain policy agenda

An example of a certain degree of perceived initial successful implementation of the horizontal policy agenda in social welfare could be the creation of the Act on Social Services. This legislative process

started in the year 1994 and was finished in 2004. During this process both the Czech government and its Minister of Labour and Social Affairs changed several times, and even the title of the Act was altered[26]. The role of NGOs as a vital policy actor in the social field was increasing over time, although still essentially took place against the backdrop of State dominance outlined earlier. Near the beginning of the legal process, social welfare NGOs organised a petition in protest at their limited involvement with the Act, lamenting its failure to pay sufficient attention to their status as social services providers. In the end, however, the organisations felt their situation was altered, with some recognition of their role as 'partners' in the negotiations.[27] However, the Act on Social Services has remained unadopted by the government, with the last change of administration in 2004.

The intermediary bodies in the social field engage in lobbying together and individually for different issues at the Ministry of Labour and Social Affairs or in Parliament. But these organisations are not able to mobilize NGOs from the non-welfare fields to help them with the solution of welfare problems. This remains true in spite of the fact that these intermediary bodies have been vital in developing the third sector community as a whole. It could be concluded that the NGOs' common, cross-field policy or advocacy action in the case of welfare issues is absent in the case of the Czech third sector. This situation has its expression in the fact that RVNNO - which in some respects is a substitute for the missing sector-wide umbrella organisation - has not developed a committee structure in relation to welfare issues. As emphasised elsewhere in this paper, instead the policy priorities of the Czech third sector community still lie in the consolidation of the sector more broadly.

The process of preparation for European Social Fund utilisation

EU structural fund programme arrangements emerge as of real significance from the third sector policy community interviewees' perspective. The general effect of the creation of the National Development Plan, and the whole preparatory EU accession process was very positive for the third sector community. Not only did NGOs win positions in the relevant monitoring committees and after a hard struggle ensure that the 'globals grants fo NGOs' model developed in the traditional EU 15 would be applied in the Czech Republic (see Crowhurst et al, 2005); they also acquired much valuable experience. This involved professionalizing their partnership approach, expanding their fields of activity, fostering much needed social networks, accessing information flows which had previously been blocked, and winning influential allies. Combining these ingredients, in this arena

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[26] The first title for the intended legislation (in 1994) was Act on Social Help, then (in 1998) the Act on Public Services and (in 2001) the Act on Social Services.

[27] This can be illustrated by the fact that the Ministry of Labour and Social Affairs introduced a new form of communication, called 'Social Conferences' where civil servants and NGO representativs discuss important issues in the field of welfare.

they notably influenced the perceptions and ideas of the public administration concerning 'partnership' and their approach to the third sector in general. Had the NDP and the process of preparation on the European Social Fund not existed, recognition of the third sector as policy actors in the eyes of public administration would have remained very low and their bargaining position towards public officials would be much weaker.

Thanks to the process of creating the NDP, in the course this research we observed a positive change in the attitudes of public administration representatives to NGOs, as they started to perceive them more as 'partners'. As the principle of 'partnership' gained ground on the agenda of public administration institutions, questions for NGOs and the third sector became part of political discussion and we can say that was perhaps the key impulse triggering the process of mainstreaming NGO issues. One definite outcome of this process was that in August 2003 the Czech Government asked its minister without portfolio, Petr Mareš (chairman of RVNNO), to deliver a report on the third sector in the Czech Republic and the co-operation of the public administration in supporting NGOs. At the end of 2003 the Czech government recommended to key Ministries that they should include the principle of partnership with NGOs into the criteria for their NDP projects' selection process.[28] In January 2004 the Czech Government also approved of a Public-Private-Partnership policy (PPP) in the Czech Republic. The Czech Government decided to include PPP in its standard tools to ensure public services and public infrastructure.

7. Towards an understanding of aspects of the third sector's national situation.

The clear advances we have catalogued in the case of the EU 'partnership' principle are particularly interesting, because they go against the more general experience of the third sector. Even the 'successes' we have pointed to, like the positive early signs in relation to the Social Services Act, have not been necessarily been followed through to successful implementation. Why is the third sector agenda not in the mainstream of the discourse of policy and politics in the Czech Republic? Why is the sector's horizontal policy still focused on its internal consolidation? Why is the third sector community under-institutionalized and still apparently only 'emerging' after fifteen years? The answers to these questions require a broader understanding of the whole third sector horizontal policy situation. Here we seek to explore changes in public policy (subsystems) through analysis of the activities of different policy coalitions embedded in a set of relatively stable parameters and

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28 See Czech Government Resolution No. 1232 from December 10, 2003.

influenced by external events, and which can be situated in the more general TSEP armoury of concepts (see Appendix 1).

7.1 Shifting coalitional formations

Continuity of 'old structure' coalitions

Shortly after the 'Velvet Revolution' in 1989 and the passage of a first law on the right of association, there was a huge growth in the numbers of newly registered NGOs. The new (and relatively small) organisations only slowly developed their influence and found it hard to get funds for their activities because they were in competition with the old NGOs. Though the funds of the former 'National Front' were transferred to new umbrella organisations (i.e. The Czechoslovak Council for Humanitarian Cooperation and The Foundation of Jiří z Poděbrad), the management of these organisations was still full of people from the old NGOs. In addition, lobbying on behalf of NGOs in Parliament continued to be in hands of a number of old service and advocacy organisations. These had 'their people' in Ministries, government advisory bodies and Parliament, were invited to the meetings of parliament committees and in time acquired information vital for their activity. Old NGOs (including such sundry actors as big umbrella associations of sporting clubs, hunting associations, professional associations, bee keepers, and voluntary firemen) simply maintained their contacts and connections with civil servants[29] and some politicians from the era of National Front. As a result the members of these informal networks (officials and NGOs representatives) were given the pejorative label 'old structures'. These networks served as a basis for a plurality of long-term 'sub-industry' coalitions[30] at all levels of public government and they are still important. Such informal contacts and coalitions allowed old NGOs to be successful in reaching their two general goals: to preserve their access to state budgets (mainly at central level) and to keep the system of state subsidies distributed according to the number of members in an organisation.[31] On the other hand the old NGOs never jeopardised the monopoly of state nonprofit organisations (contributory organisations) in the domain of social welfare and accepted the principle of state centralization. Clearly, both these principles served to sustain the power of civil servants. It could be said that up to

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[29]Here we have in mind especially those senior civil servants who were in favor of the old communist regime but remained in their positions because of their skills.

[30] For example there is still a strong coalition of hunting associations with politicians (across the left-right spectrum) and public servants because many are members of these associations on the local level. Hunting is a particularly significant constituency: In the Czech Republic there are more than 1,000 hunting associations with total membership of 3% of the adult population (Frič et al., 2003).

[31] Therefore they (often only formally) report a huge number of members.

now, the lobbying of old NGOs in Ministries has been much more effective than the lobbying of new NGOs.

It should be also said that all the intermediary bodies discussed earlier in this paper are for new, not old NGOs. In the 'old part' of the Czech third sector we can see only minimal effort to participate in the forms of third sector horizontal activities discussed, and we find only very limited horizontal organisational networks. The most important among them is <u>TRIPARTITA, the Council of Economic and Social Agreement)</u>, which has grown in political prominence in recent years.[32]

The aim is to keep 'social peace' through 'social dialogue' or bargaining among three stakeholder types: Government, trade unions and employers' associations. It does not represent any other interests, which means that no (other) NGOs participate on its activities. Thus, if one considers the latter two stakeholders to be part of the third sector its activities are in scope; otherwise it is viewed as separate to the third sector community. In fact, the representatives of the third sector community (intermediary bodies) themselves, discussed earlier, are not used to thinking of TRIPARTITA as a possible platform for third sector policy agenda setting or implementation. The new service NGOs have made no serious attempts to become members of TRIPARTITA.

The TRIPARTITA platform was originally established in October 1990 and is still the only voluntary association of stakeholders. Its status has not yet been established by an Act - and has changed over time depending on the attitude of the government in power.[33] The bodies making up TRIPARTITA are: plenary session, presidium, task teams and secretariat. The delegation present in plenary sessions consists of: seven representatives of the government, seven representatives of trade unions and seven representatives of employer unions. To be able to take part in TRIPARTITA the representatives of trade unions and of employers must meet the criterion of representativeness. Every trade organisation applying for participation in TRIPARTITA must have a minimum of 150,000 members, and every employer organisation 200,000 members.

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[32] This is a similar organisation to the Economic and Social Committee at the EU level.

[33] E.g. in 1992 the first government of Václav Klaus took out of the Tripartita agenda the issues of economic and structural policy, narrowed its status to a „consulting platform of the trade unions and employers", renamed it 'Council for Dialogue of Social Partners' and as such relegated it to the role of a mere observer. In 1997 the second government of Václav Klaus included the issues of economic policy in the agenda of Tripartita once again, and accepted its new name: 'Council of Economic and Social Agreement'. In 2000 the government of Miloš Zeman had further strengthened the status of Tripartita by extending its scope to include human resources development. (Šlehofer, 2001; Mansfeldová et al, 1998).

A plurality of new ad hoc industry coalitions

Looking back to the short existence of the third sector in the Czech Republic the most successful period - in terms of the sector's ability to affect public policy - seems to be the first post-revolution years (1990-2), which have been described in the area of public policy as 'the time of concepts' (Kalous, 1994). During this period various newly founded NGOs enjoyed influence not only over particular decisions of the state administration but also the general philosophy for resolving problems in society. This was the time when the old (communist) institutions of public policy were destroyed and new democratic ones established. We could see new concepts being developed in the school sector, health care sector, in the army, and in the field of ecology (Potůček et al, 1996: 167-8). The government supported the influx of new professionals coming into the state administration, many of whom had been active in NGOs before. Thanks to the continuing revolutionary social atmosphere, confusion in the forces of 'old structures' (among civil servants) as well as personal contacts with the new representatives of the government and ministries, the new NGOs quickly managed to build several spontaneous ad hoc coalitions with politicians and civil servants within different industry fields on the central level. Thereafter professionals and experts from new NGOs had good opportunities for intervening in the process of developing public policy.[34]

A first cross-industry coalition: NIF and the early alliances

At the first free elections after the 'Velvet Revolution' (in June 1990) the government had been formed by a group of new politicians dominated by those who had developed a political profile through active dissent and involvement in the Civic Forum (that organised the movement and can thus be said to be the leader of the 'Velvet Revolution'). Their attitude to civil initiatives and organisations supporting or creating an umbrella for the activities of citizens was almost 'naturally' positive as they themselves arose from the third sector. During its term in office, under Petr Pithart, the government started to prepare laws regulating the activity of particular organisations of the third sector, initiated funding for NGO project grants, and began the process of setting up the Foundation Investment Fund (NIF) in order to support civil society development (cf. Box 1). In its final year, it was the Pithart government which established a Council for Foundations. This council closely collaborated with influential Prague foundations (NROS, OSF, Olga Havlová Foundation) and some intermediary bodies (such as ICN) and started to prepare a plan to distribute the NIF financial returns among newly established foundations that exclusively focused on developing the new service NGOs.

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[34]'The time closely after the political change in 1989 like any other revolutionary time, did not make life complicated by procedural restrictions: it was the time when professionals did not ask anybody anything but just got into the politics' (Potůček, 1996: 187).

This meant that from its beginning the central government advisory body (Council for Foundations) was in coalition with representatives of foundations and new service NGOs from different industries (predominantly social and health care).

The agenda of the Council was eventually enlarged to cover the whole third sector and as mentioned earlier was renamed as the Government Council for Non-State Non-Profit Organisations. The high points in shared activities that were to follow involved negotiations with Parliament in relation to foundations' legislation in 1997; eventually there was also to be the distribution of NIF financial resources in 1999; and the finalisation of the document 'Strategy for Development of the Non-Profit Sector' in 2000. A key player in these processes was the Donors' Forum which established a special ad hoc group for parliamentary lobbying. The group then went on to transform itself into 'SPIRALIS', an independent advocacy NGO, (focused solely on professional lobbying to promote NGOs). These activities led to the strengthening of a third sector horizontal community and of its influence on public policy.

Problems of legitimacy and the 'self limitation' response

How did the cross industry coalition proceed, and what constraints did it face? Despite the successes it apparently catalysed, the initial configuration was not to last, as external and internal pressures came together to force major change. During its early successes, a crucial condition for the smooth functioning of the alliance had been its legitimacy in the eyes of third sector members. However, this was not nurtured, setting in train a process of disintegration. From the outside, its functioning was questioned by several politicians and civil servants. The strong Prague foundations and some other intermediary bodies tried, in response, to use their position in the SKK (Permanent Commission of the Conference i.e. coordinating body of the NGOs National Conferences) to underpin their legitimacy as representatives of the whole third sector. This was response initially seemed plausible, because the mission of SKK was, among others, to improve the conditions for the functioning of NGOs and to support the development of the whole third sector.

Yet, the strategy proved to be untenable: there were also constraints on these efforts from within the NGO policy community. Significant numbers of regional representatives of NGOs viewed the coalition actors as implicated in an undesirable 'non-profit oligarchy', which had too much power. There was also more general 'grass roots' hostility. Therefore, the SKK had to permanently fight against the erosion of its legitimacy from below, as well as outside. In 1997, it was to fail definitively. At the Fifth National Conference of NGOs the SKK lost its mandate because it was accused of having 'spent its energies on representative activities and politics'. To avoid the perceived danger of a self perpetuating 'nonprofit

oligarchy' in future, from this moment onwards a 'self-limiting' strategy was adopted with alternative parameters. This was to be based on 'field and regional integration' for the third sector. A new co-ordinating body, the Council of Non-profit Organisations (RANO), was set up purely as a discussion platform for NGOs. Under the new settlement, the role of this Council would not include negotiating as a representative of the third sector with the administration or with Parliament. A new nation-wide umbrella organisation ANNO was established (as mentioned in section 4), but this also ruled out acting as a 'representative' for the third sector, and its membership is not significant enough to play an important role in the cross-sectoral collaboration at the central level.

A second cross-industry coalition

The erosion of the first third sector coalition's legitimacy described above generated a crisis. The coalition was not able to transform its goals and to revitalise its common activities in the new situation. During 2001, the management of RVNNO hesitated about whether to close it down, or to start to look for new allies (which would bring with them much-needed 'representative legitimacy'). All of this was offered by the nation-wide regional and field NGOs' network, OKAMRK. The origin of this network lay primarily not in initiative by individual grass-roots NGOs, but more in the regional coalitions of NGOs, i.e. centres for community work (CpKP).[35] It was essentially a response to the weaknesses of RANO in terms of intervenvtion for the benefit of NGOs. It was also perceived to have failed, through incompetence, to involve the third sector in early efforts to access the European Structural Funds. The motivation of NGOs to enter into the processes of NDP preparation at this time was clear: to boost their chances to get finance from the EU SF.

How did the third sector policy actors evolve from this point? The OKAMRK network set up its own working group for regional development in 1998, which also became its executive body. The group members organized annual conferences and made an effort to keep NGOs informed and up-to-date about the progress of work on the National Development Plan. The coalition between RVNNO and OKAMRK was formally set up in the working conference at the end of 2001. Their co-operation very quickly led to a situation when RVNNO to a considerable extent took over the agenda of the working group OKAMRK. This was clearly evident in the new internal structure of RVNNO, which comprises three committees, two of which are involved in regional development, and/or, integration into the EU. Members of the OKAMRK working group became members of the RVNNO committees. Thus RVNNO became a kind of hybrid (half state-owned, half civil) institution which on

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[35] Several of these regional centres had been established during the mid 1990s with the help of the National Democratic Institute.

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the one hand continuously absorbed impulses and initiatives from NGOs, transforming them into bureaucratic language; and on the other hand, has made these contributions legitimate as proposals submitted by a central state administration body. However it should be said that most of the problems of third sector consolidation mentioned above were not central to the focus of the second coalition, because RVNNO was interested only in problems which government wanted to be solved.

The process was, however, far from monolithic. The willingness of particular ministries and regional governments to cooperate with NGOs on the creation of the NDP was very different. Those civil servants who already had experience with new service NGOs were more positive about the wider participation of NGOs (expressed in the time they spent giving out information, documents for discussions, and willingness to accept comments and propositions). The approach of those civil servants who had most experience with old, advocacy NGOs, was more selective and more discriminating when it concerned new NGOs. They tried not to expand the circle of the old NGOs participating, especially not by new advocacy organisations (e.g. by the organisations of the Green Movement). In the first case civil servants wanted - through the participation of NGOs - to give their documents credibility; while in the other case, they essentially experienced them as a 'necessary evil' to make the cause succeed. These civil servants were still looking at the participation of NGOs as 'democratic folklore' accepted under the pressure of EU. Generally, those more open and friendly to NGOs happened to be at the regional (and also local) levels rather than at the central level, and some of these cases even resulted in the establishment of several regional cross-industry coalitions, among regional politicians, civil servants and representatives of regional umbrella NGOs (GAC, 2003).

The second coalition has, so far, been *relatively* successful in practice. It is visible mainly in the process of appointing representatives of NGOs to monitoring committees in government and later to ECOSOC (Harvey, 2004). In reality, many of the individuals appointed to these bodies were just the NGO candidates proposed by the regional and industry networks of NGOs. RVNNO managed to play the role of a 'policy broker', and has continued to mediate the latent but permanent conflict between civil servants and NGO representatives. It has become evident that the second cross-industry coalition represents essentially a win-win strategy for the vast majority of the players involved. The new service NGOs have gained a powerful ally and legitimacy in the eyes of state officials. The regional advocacy networks have strengthened their influence and RVNNO found its raison d´etre. State officials and representatives of the regional governments acquired legitimate partners (whose mandate was confirmed by the first vice premier of the Czech government, who is also the chairman of RVNNO) - prescribed for them by the EU (whose central role we will underline further in section 7.3 below). The powerful, central NGOs partly keep their membership in RVNNO, are still in the

coalition game, and reasserted their advantageous position for drawing money from the European Structural Funds. As RVNNO from its beginnings adopted the new NGOs' views on the role and place of the old NGOs in the Czech third sector, the only losers were the old, advocacy NGOs. It is significant that there is not one old advocacy NGO among the members of RVNNO.[36]

7.2 Stable parameters: durable constraints on policy change

As regards the situation in the Czech Republic, despite political discontinuity and ongoing societal transition in the last fifteen years, we can speak about stable parameters in two of the senses originally proposed by Paul Sabatier, and suggested for exploration in the TSEP approach: constitutional rules and socio-cultural values. We will consider these in turn, considering in each case first more durable and then less durable ingredients.

Constitutional rules

Among those parameters that are relatively stable over several decades we can count the centralistic welfare state, a (stronger or weaker) neocorporatist style of government policy and the significant influence of high administrative officials in relation to politicians. These three parameters were typical of the third sector environment for most of the 20th century and continued to affect third sector policy in the last fifteen years.

Centralism

In this period, all Czech governmental political parties and their coalitions have had an obsessive inclination to centralism, through which they wanted to tackle the problems with asserting their own ideas about the political environment of social transformation.[37] In the strong (paternalistic) state, regardless of their ideological inclination, power holders tend to see centralism as an ideal means to prevent the 'anomie' of transformation and achieve their own goals. Centralistic reform strategies have focussed government attention on the problems of privatization, banking and creating the

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[36] There are only two representatives of the old service NGOs and fourteen representatives of new ones - seven Prague located intermediary bodies and seven regional umbrella advocacy or local service NGOs.
[37] Paradoxically, this also applies to the parties ostentatiously expressing a neo-liberal line.

conditions for a market. This strategy became a general trend that inevitably hit the third sector. Non-economic matters were perceived as secondary, or side issues.

The style of governing typical of centralism was in sharp contradiction with the expectations of NGOs, who wanted to cooperate in the development of public policies and in decision-making processes. Its enforcement actually meant pushing the activities of NGOs out to the periphery of economic and social transformation. What is more, in spite of proclamations to the contrary, political parties have tended to see NGOs as competitors, not allies, in the difficult process of change. Rather than offering open support, political leaders have often taken a reserved or watchful attitude towards NGOs. On the other hand the centralism and political defensiveness has partly helped maintain the agenda of third sector consolidation at the central level and instigate third sector horizontal community development.

Welfare state tradition

The centralistic transformation strategy also preserved the state system of welfare (social and health) services based on the existence of state-maintained service organisations (state nonprofit sector). The state administration has found it difficult to adjust to having lost its monopoly, to adapt itself to calls for decentralization from nonprofit organisations, and to change its role from the provider of services to their guarantor or mere purchaser. After more than four decades of communist rule in the Czech Republic, the 'continental, or even more specifically, Middle European, corporativist (Bismarkian) type of welfare state is continuing' (Potůček 2004, 20). Government public policy is sharply pillarised around particular industries - with Ministries are preparing specific legislation on their own initiative - and progress in decentralization is very slow. (The new administrative regions were established only in 2000 and regional governments are still searching for their role without adequate financial resources.) The main 'corporativist' feature is the TRIPARTITA discussed above, with its three main stakeholders. Patterns of path dependency from state bureaucratic socialism are revealed in the continuing strength of the state administration in relation to politicians.

We now consider in turn three types of short term - but still stable - constitution related parameters: political cartelisation, narrow representativity, and assumptions of inconsistency in policy.

Cartelisation of the political scene

After 1989, the situation of the newly emerging Czech political parties was not easy. In a situation of intense competition they had to find their own identity and faced major problems with securing

financial support. The fact that parties were not embedded in any specific social classes meant that (perhaps with the exception of the communist party) they did not have many members or a stable (loyal) electorate. Yet the situation also meant that only a costly, spectacular election campaign could guarantee their further survival in Parliament. In this respect they shared the general crisis of mass parties in Western European countries. An increase in the costs of party activities, falls in money coming from membership fees and problems with getting support from private sponsors made them (like their western counterparts) stick more closely to the state, where they found a key source of income in the form of state financial contributions following the election results.

A consequence of this method of consolidating the position of political parties in society was a deeper separation of party interests from the interests of civil society. Political parties could not expect more votes, or money from co-operation with weak NGOs. On the contrary, according to Katz and Mair, the process of parties becoming part of the state resulted in a situation where 'political parties do not have to compete to survive any more in the same sense as before (when competing as regards the definition of public policies) and made the right conditions for forming a cartel, where all parties share the same sources and survive' (Katz and Mair, 1996). The state controlled by political parties becomes not only a substantial source for their survival, but also a barrier to new actors (growing out of civil society) entering the political arena.

Preference of narrow representative democracy

Party cartelisation and centralistic political styles are also sources of negative attitudes towards the idea of participative democracy or a political role for NGOs. The legitimacy of their efforts to represent the interests of the citizen in issues of public importance is permanently in question.[38] Many politicians and high-ranking state officials still regard the involvement of NGOs in decision-making processes as out of the ordinary and of marginal importance, an attitude that is reflected in the practices of the state administration. NGOs have been accused of wanting to replace elected bodies and operate in areas in which they have no authority. Czech technocratic elites are naturally in favour of a narrower concept of representative democracy, where the dominant role is played by political parties and the function of citizens is limited to electing their representatives. The technocratic elites see in a broader -

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[38] For example, in his famous polemics with president Václav Havel, former prime minister Václav Klaus rejected the legitimacy of the idea that NGOs should mediate the will of citizens towards the state on principle. In his opinion, shared by many other government and oppositional politicians, in 'standard democracies' this role is legitimately played only by political parties having won their mandate in the elections (Pithart, 1996). These politicians considered lobbying and protest actions of NGOs a common, though 'non standard' way to intervene in politics in a democratic society. By pointing out this 'non standard character' they wanted to give the public an impression that the political function of NGOs is acutally undesirable in a society in transition.

participative - concept of democracy a threat of irrational and incoherent decision-making, deforming the logic of the system of representative democracy (Strmiska, 1993: 109). Politicians and civil servants do not object formally to attempts to put pressure on the institutions of public policy from 'below'. However they insist this should not develop into political activities, which they consider to be rather radical forms of influence like public mobilization in protests, street demonstrations etc. The NGOs themselves mainly avoid these channels and limit their requirements beforehand so that open conflict with public offices is most often avoided.

Inconsistency of government third sector policy

A more detailed view of the developments in relations between government and NGOs in the last 15 years reveals that the policy of funding and legislatively ensuring the functioning of NGOs is actually rather inconsistent. There are several policies identified with different ministries (and therefore the different industries), which do not easily fit with each other, and the execution of these policies at central and regional levels of the public administration is different. Also the policy of individual governments of different ideological colours and even those of the same orientation has differed over time. Logically, the lack of consistency of public policy towards NGOs is not so much an outcome of changing ideological orientation of governments (representing various segments of society), but of a lack of professionalism and the ad-hoc pragmatic solutions that politicians have accepted under pressure from different interest groups and coalitions of civil servants and business. Government third sector public policy is not guided by clear and firmly set principles, incorporating a particular idea of the role of third sector in society, the method of its consolidation and ways to build civil society. None of the governments have, so far, set out a concept of how to develop a third sector. Until now, they have not even tried to systematically collect and master the relevant information about issues of its consolidation. In a situation when the desired data is unavailable, there is no interest in the issue, when all kinds of rumours about wrongdoing NGOs are widely spread, and there is no clear conceptual identity for the sector, one cannot expect that public policy towards NGOs will take on a consistent shape.

Why is this so? Where does the lack of interest from the representatives of political parties and governmental institutions spring from? The verbally helpful but practically reserved and sometimes almost unfriendly attitude of politicians is a logical consequence of being aware of their own, specific party interests and preferred technocratic style of governing. The lack of consistency of policy towards NGOs is thus an outcome of a very consistent attitude of political elites, which may be partly pragmatic, i.e. an effort to act in the term of elections as economically as possible. The inconsistency of government third sector policy is of course also manifestation of low visibility of the sector and

weak recognition of it as a policy player (for example there is not any general legislation for the third sector as such but only for the particular forms of NGOs).

Fundamental socio-cultural values

<u>Weak civil society</u>

Czech civil society's weakening during the communist era has been a significant impediment to third sector policy. The most important part of this heritage can be seen in three 'anti-civil' traditions, which hinder its development. The first is the tradition of distrust. There is still a strong demobilising effect from obsessive questions about whether it makes sense and is actually possible to involve oneself in public matters, and whether something can be changed through organisations of civil society. Repeated experience of mass persecution of representatives (but also of rank and file members) of various NGOs, as well as of forced participation in activities run by pseudo-civil organisations controlled by communists, gradually made the population in the Czech Republic accept cautious, one might say 'cagey' life strategies. The average citizen of the Czech Republic, even today, tends to retire from public life and is not inclined to take risks and create unnecessary problems. The typical attitude is silent opposition to the regime, gradually culminating and publicly demonstrated only in extreme historical situations, landmarks in history.

The second is the tradition of comfortable life, laxity. This was developed over decades of propaganda emphasizing the omnipotent ability of the socialist state to solve all the problems of its citizens. The results of many public opinion polls demonstrate that over time most people in the Czech Republic got used to this paternalist ideology and acquired a conviction that only the state is able to take care of things: they themselves need not do anything. Therefore, they continue to wait in their relatively 'comfortable privacy' to see what the state will do to solve their problems. If the state fails in this role, many simply have no will to participate in solving common problems. The activity of citizens has increased, slowly but surely, but the State continues to use this tradition to legitimize its persisting dominant position.

A third symptom of weak civil society is the tradition of informal connections or clientelism. The discontinuity of political regimes pushed people not to rely on formal institutions too much. They learned that informal relations with relatives or good friends were more stable and trustworthy than formal public institutions. The learned culture of informality has been preserved in the new democratic regime - where the formal institutions are often disorganized and the ability of the state to guarantee the rule of law and standard public policy procedures is sometime even lower than it was in

the communist era. As a result, Czech citizens have not liked to give up their tried-and-tested life strategies and try to solve their problems via informal (often clientelistic) relations. These informal life strategies are private and hidden and are in competition with the culture of open advocacy or civil strategies. The culture of informality penetrates into the functioning of public policy institutions and supports a climate of civil incompetence and the widespread belief that citizens are not able to influence public policy without informal connections.

If one looks back far enough, there is a more positive, even longer term legacy on which to draw: the traditions of the democratic period of the first Czechoslovak Republic (1918-1939) can be evoked. Looking back this time seems not only to have been the Golden Age of civil society as such but also of the relationship of the state to NGOs. Even today, the third sector could potentially draw ideas and values from that period's civil culture. However, reaching back this far constitutes a massive challenge: during the totalitarian years, the legacy was severely eroded, and this tradition's distance in time now has made it more and more difficult to consider it a catalyst for civial renewal.

Negative third sector mythology

The fading of memories has combined with negative reinforcement in the current ideological climate - from both ends of the spectrum. Czech political (public) discourse has come to include two myths about the third sector, which are linked to two basic ideological streams in the post-communist political scene.

The first one, born in the neo-liberal environment, holds that the third sector is solely the sphere of voluntary activity. Under this interpretation, it should be economically independent of the state: public subsidies to NGOs are portrayed as a relic of the communist era. The second myth, identified with social-democratic ideology, says that the welfare-state is universal tool to solve social problems and NGOs are only a relic of the efforts of outdated, traditional societies to come to terms with their problems. In this storyline, they are perceived as an archaic method of tackling social problems, which in modern society can play at most a complementary function to the institutions of the welfare state. Obviously, some politicians contributed to this mythology, regarding the nonprofit character of NGOs a parasitic element (when nonprofit, they must live from the profit of others!) - and by extension the threat of collectivism comeback. Negative mythology about the third sector still undermines the willingness of many politicians and civil servants to communicate or co-operate with NGO representatives, and to allow NGOs to compete with state-maintained contributory organisations that provide similar services. They prefer to see NGOs as having an auxiliary role, merely supplementing

the services provided by the state. This attitude forces NGOs into the position of an appendage to the state administration.

Low degree of consensus between old and new NGOs

The distinction between old and new NGOs discussed thus far has not only a formal, chronological aspect: The two kinds of organisations exist in worlds of different values. They have very different cultures and modes of operation, and even contrasting understandings of their role in society and the very nature of civil society. They also represent political styles that can be properly described by Claus Offe's concept of the 'old and new political paradigm' (Offe, 1985). The 'old part' of the Czech third sector is highly 'pillarised' - horizontal communication between individual fields of NGO activity is very weak here. Mostly, it is conducted within the individual associations, which are still strongly hierarchical in nature. Their leadership depends on their good informal relationships with top officials in the administration. The old NGOs base their collective identity largely on traditional values, which existed before the Communist era, and they take little interest in the ideals of a modern civil society, in which the third sector is an integral part of a stable democracy. The old NGOs make no public comment on the current third sector horizontal policy situation, distance themselves from their Communist era identity and do not even attempt to represent the third sector to the public. They concentrate instead on lobbying the state administration, parliament and government. They act autonomously and within certain fields they are well-integrated vertically and have no need to establish coalitions between different industries or fields. They play little role within third sector community building and its horizontal policy.

The new NGOs openly demonstrate that they are the followers of dissident traditions of civil society building. They are aware of the third sector collective identity, consciously support third sector community development and intentionally try to change the third sector horizontal policy situation. But their representatives often talk about the third sector as if the old NGOs did not even exist. The new NGOs often look down on the old NGOs with a feeling of superiority stemming from the fact that, unlike the old organisations, they were never 'in bed with' the Communist regime. The inclusion of most of the old NGOs (sports clubs, horticultural and breeders associations, volunteer firemen and hunting associations) within the third sector causes unease among the representatives of the new NGOs. It is not much of an exaggeration to speak of a 'cold war' between 'old' and 'new' NGOs over resources and influence within the sector. The 'new' NGOs accuse the 'old' ones of benefiting

from favouritism when resources are distributed by the state[39] and of fostering paternalistic relationships within the third sector. New NGOs had to form their own relationships with the state administration and by naming new problems, and suggesting new methods, disturbed the routine of administration machineries. As a result many new NGOs were often brought into some kind of conflict with the government and state administration.

<u>Civil servants' stereotypes</u>

Also relevant as stable values shaping the possibilities for third sector policy are those of the public sector actors who interact with these organisations. Representatives of NGOs often complain of a pervasive conservatism among state officials and organs: they are said to be unwilling to adapt to the new, pluralistic conditions of a democratic society (Frič, Šilhánová, 1997). The NGOs point out, for example, that in handing out grants state officials routinely favour state-funded (contributory) organisations over independent NGOs. The representatives of the state administration were not used to talking with different interest groups and organisations in the past (Potůček, 1997). Even today, they have a tendency to act from the position of a monopoly supplier of social services. The civil servant at the higher levels of public offices has an image as an unapproachable, conservative technocrat, who is 'pampered' and incompetent - although in the opinion of some NGOs' representatives, there are some 'enlightened' exceptions amongst them (Frič, 2000).

The issue of value differences is also problematic from the other side. The evaluation of NGOs' representatives by civil servants can involve a positive picture of the young expert - but there is also the negative image of the self-oriented incompetent person or a cheat. It means that civil servants and NGO representatives can find it hard to development mutually advantageous co-operation, although there are signs that such stereotypes are loosing currency.

<u>Fragmented recognition</u>

The image of the third sector in the public eyes is fragmented into the new service part and the almost invisible old part. According to survey results (Frič et al, 2001) Czech citizens generally recognize NGOs through their charity image. They know the organizers of public fundraising campaigns, largely due to their personal experience with giving to these collections and the campaigns' promotion in the mass media. NGOs' fundraising campaigns have become the most important

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[39] For example the majority of old NGOs can get state subsidies without a project proposal, according to the numbers of their membership. This principle supports the 'splendid isolation' of old NGOs inside the third sector and hinders the horizontal policy effort of the new NGOs.

information channel about the third sector for the public. This finding partly answers the question why the general public does not include the old NGOs in the third sector - they are not visible through collections. This image of NGOs is regularly strengthened by their activities in the media in different disasters (for example in the Czech Republic it was huge flooding in Moravia and East Bohemia in 1997). It indicates that the media prefer to support a charity image for NGOs. They do not focus their attention on the whole third sector and its problems of consolidation but on the particular stories of specific NGOs or categories of NGOs. Media recognition of the third sector as a public policy player is also fragmented.

NGOs' efforts to represent the interests of citizens are accepted mainly in a positive way - 62% of respondents think that NGOs are capable of advocating the real interests of citizens and 51% of them even think that some NGOs represent their own interests. Citizens consider NGOs to be significantly more trustworthy than political parties (75% respondents). This also gives an explicit answer to the question of legitimacy for NGOs taking roles in the area of public policy, which is often placed in doubt by Czech politicians. There are still parts of Czech people's attitudes towards NGOs and volunteering which seem to express a residue of state paternalism, and of the ideologization of the philanthropy of the socialistic regime. Most people think that volunteering is a 'poor substitute' for state intervention or for incapable state public services. According to 70% of respondents, there would be no need for volunteers if the state performed its duties and responsibilities adequately (Frič et al, 2001).

7.3 External shocks and system events

What are the shocks and events that shape the Czech third sector policy environment? Of course the biggest single external event affecting the Czech third sector policy sector was the Velvet Revolution in 1989 itself. Here, we will consider subsequent events, noting the effects of changes in government, and finishing with the recent and unique 'shock' of the run up to, and process of, EU accession. Building on the analysis in previous sections, we will suggest that this latter event itself should be seen as having broad ramifications across the landscape of third sector policy.

Changes in the systemic government coalition

Under democracy, three shifts in Party Politics have influenced the third sector's developmental path. After the parliamentary elections in the mid 1992 Václav Klaus headed the government and 'the warm period of the time of concepts' was over. Coexistence between the government and the third

sector was changed for 'the cold period' of a reserved distance from the side of the government. The post-revolution euphoria dissipated, and the state machinery began to gradually get back its shattered confidence. Within the bureaucratic pragmatism that predominated there was not much room left for partnership with NGOs. The presence and activities of NGOs seemed to complicate the life of politicians and officials. All of a sudden there was no interest in their expertise and ideas. Their professional knowledge was used only sporadically, in cases where members of parliament or officials were not resourceful enough to solve a problem. Governing coalition politicians confined themselves to verbal expressions of reservation and even accused some NGOs of extremism. The Council for Foundations was not called any more, and as a consequence, practically stopped its activities. Also the distribution of the NIF funds was not discussed with NGO representatives over several years. The early development of the first cross industry coalition, discussed in section 7.1, was itself in part a reaction to this hostile climate.

A significant change in the relationship of the government with NGOs happened after the parliamentary elections in 1996 when the proportion of forces in the governing coalition changed to the disadvantage of Klaus' Civil Democratic Party. The Council for Foundations began to work again and its membership was enlarged by some representatives of new NGOs (intermediary bodies). The issue of distributing the financial resources of the NIF to foundations was opened up again. In the eyes of the new government the third sector grew in significance, as expressed in the fact that in the end of 1998 the Council for Foundations was renamed the Council of Government for Non-State Nonprofit Organisations (RVNNO).

The most significant change in government attitudes to the third sector can be seen after the parliamentary elections in mid 1998 when the Social Democratic Party (under the lead of Prime Minister Miloš Zeman) took power. The rhetoric of the members of this government was much more positive about NGOs than that of former governments. The Social Democratic Governments[40] started taking some practical steps to support the third sector (for example the distribution of the NIF). On the other hand the Social Democratic Governments refused to solve the question of privatization of the budgetary and contributory organisations, which could have significantly improved NGOs' position in society. Despite the positive rhetoric of some government members, the topic of third sector did not became part of the public policy mainstream. The government efforts to keep the question of third sector development on the periphery of societal transformation continue until now. For example the chairman of RVNNO has always been a member of the small governmental coalition

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[40] In the second period (after the parliamentary elections in the mid 2002) a government was formed in coalition with the centre-right Christian party and the rightist-liberal Union of Freedom, but the social democrats play the dominant role.

party or a weak political figure. It follows that government involvement in third sector policy coalitions was not its top policy concern.

Changes in terms of socio-cultural values and institutional rules: the EU's impact

The major *changes* in the socio-cultural values and institutional rules we can identify in the past 15 years have been associated with process of the 'Europeanization' of Czech public policy associated with EU membership. This process culminated in the creation of the National Development Plan, and national or sectoral operational programmes. Europeanization introduced a language of intersectoral 'partnership' and 'subsidiarity' into the domestic policy discourse. These two principles are a constitutive part of the European dimension of policy towards NGOs. Thanks to the EU in general, and most visibly the European commission in particular, which required accession countries to enforce these two principles, at the turn of the century we seem to have witnessed an important breakthrough in the recognition of the third sector as policy actor. This has occurred in relation to two specific strands of policy: NGOs' involvement in the structural funds negotiation, and the pressures for developing the regional dimension of policy associated with EU membership. The process of preparation for EU structural funds in particular met with a keen response in the ranks of Czech NGOs and became one of the major issues in discussions within the third sector. Those who became involved were the key players in the third sector community, and/or intermediary bodies at the central and regional level. Yet in the context of this process there was fundamental conflict about the perception of the third sector between the representatives of the central state administration, regional governments and NGOs representatives.

The principle of 'partnership' was a brand new term for most officials involved in preparing documents on the structural funds. At first, Czech policy had not been sufficiently informed about the possibility of involving other NGOs than those they had known or had even been regularly communicating with. They had no idea about the basic parameters of the Czech third sector and no interest in discovering them. This situation was, however, significantly changed by the EU requirement to 'respect the principle of partnership'. Ministries and regional governments (councils) had been literally forced to seek out partners with whom they could discuss the programme documents, so as to be able to comply with, and ultimately draw finance from, the structural funds (GAC, 2003). They complained that the Directive of the Council did not give them a sufficiently clear definition of partnership, which would enable them to decide which organisations should be involved and which should not. The representatives of regional governments also struggled with this question. Nevertheless, the representatives of NGOs vehemently referred to both the Directive of the

Council and practice of partnership in EU in their attempts to promote their organisations and make them participants in working groups and monitoring committees creating the NDP.

Regional administrative reform was linked to the introduction of the subsidiarity principle into Czech public policy (in 2000). Establishing the new regional governments (in 2001) significantly altered the third sector policy situation. This event, together with the structural fund process those which are, instigated the huge wave of NGOs' associative effort on the regional level - and was key in creating and maintaining the second cross-industry coalition discussed in section 7.1.

On the other hand the implementation of the subsidiarity principle was hindered by the strong tendency to centralism - so overall, progress has been very slow. For example the system of public subsidies for NGOs is still relatively centralised. This conclusion is supported by government data on the year 2003 which say that 70% of all public subsidies are still distributed by ministries. Only small proportions of subsidies are distributed at the regional level (12%) or at the municipal (local) level (18%) (Rozbor, 2004).

8. Conclusions

The analysis of the Czech third sector policy situation developed here shows that the Czech third sector policy community is under pressure from strong and often opposing tendencies and factors from the inside and outside. Some of these are supportive but most are negative. Among the supportive factors we can count public policy centralization, civil servants' conservativism (which stimulated the NGOs associative processes on central, regional and local levels for a long time), changes in the systemic government coalition and processes of the Czech public policy Europeanization (which opened the space for intersectoral coalition building). A decisively positive role in the process of third sector horizontal community development has been played by the Europeanization factor despite its many weaknesses (Harvey, 2004).

The set of negative factors includes: NGOs' own limits on their horizontal policy effort, strong welfare state (social-democratic) traditions, cartelisation of political scene, preference for representative over participative models of democracy, inconsistency of government third sector policy, negative third sector mythology, the relatively strong position of old NGOs and fragmented third sector recognition by general public. The dominant negative influences on third sector policy community development are two factors that are closely related: NGOs' self-limited horizontal policy effort and the inconsistency of government third sector policy. The first one means that is a very low

degree of consensus which would be needed for policy change and the second creates space for clientelism which hinders community institutionalization. Politicians and public servants prefer cooperative models of interaction with NGOs, but without strictly set rules. This informal 'partnership model' naturally suffers from clientelism and lack of opportunities for NGOs to enter the decision procedures.

Thanks to the third sector's limited horizontality at the central level, there have been no significant common efforts by NGOs to change this model until now. NGO representatives have not even been able to clearly articulate which model of partnership or policy coalition with the public institutions is suitable for them and which one they would like to fight for together. It could be said that old NGOs tend to prefer the 'corporative' model (which gives their strong umbrella associations privileged positions in bargaining with state authorities on the central level), and that new NGOs so far cannot agree between the model of interest groups or that of program cooperation (which requires forming a joint, umbrella organisation negotiating the goals and conditions of meeting the program by the state). Generally speaking, the new centrally-located intermediary bodies prefer the model of interest groups because it allows them to preserve their strong lobby position. The local and regional NGOs and their associations rather prefer the model of program cooperation, because it gives them better chances to influence the public policy at different levels of public administration.

The weight of the negative factors almost stopped the process of third sector horizontal community development at the central level in the mid 1990s. Their continuing influence on the community has severely undermined the positive impulses coming from the Europeanization process during the last five years. Therefore the Czech third sector community is still fragmented along the lines of old-new, and in relation to the central-regional dimension, suffering from chronic under-institutionalization and has remained for more than a decade in an 'emergent' stage.

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Appendix 1: Working Glossary
Version of 23 June 2005

Case refers to the TSEP unit of analysis in relation to public policy as a multi-level process: there are 'closed cases', being particular policy events/programmes chosen to capture a range of policy modes and stages in the policy process of relevance to the third sector in Europe; or 'open cases', which are more thematic and diffuse in character. The former include the European Statute of Association; Global grants for social capital; the Convention/Constitution; National Actions Plans for social exclusion and employment; and the United Nations Year of Volunteering; the latter include Services of General Interest; and the European Structural Funds and the third sector at the sub-national level.

Coalition refers to alliances of policy actors, who can be individuals or organisations, who come together to pursue shared values, concretely expressed in policy change or policy perpetuation goals. Understanding the functioning and roles of such coalitions in national, EU or multi-level contexts requires accounting for the nature of their values and goals; the economic, political and cultural resources they are able to mobilise, and the political opportunity structure within which they operate. In the TSEP network, research effort has been directed at describing and analysing coalitions formed and perpetuated by full or part time *specialist third sector-specific policy actors*.

Collective noun refers to the language used by domestic or EU level actors to group organisations sectorally at a level higher than *vertical policy fields*, and involving some implicit or explicit reference to ownership and control not reducible to either the market or the state. In some countries the collective noun and associated expressions involves a relatively stable or dominant language supported by formal or informal institutions and practices, while in others there is a more open field, with competing concepts and formulations, often fluidly co-existing and interacting with one another. Examples in Europe at the EU and national levels of expressions sometimes used in this way (and sometimes also used in other ways) include associations, [social] [action] NGOs, non-profit sector, nonprofits, organised civil society, popular movements, social economy, social enterprise, solidarity economy, third system, voluntary [and community] sector.

Community method has been described by the Commission as 'a procedure leading to decisions or Act, involving balanced participation [at the EU institutional level] between Council, the European Parliament and the Commission'. It was the 'classical' or 'traditional' method of processing EU policy in the second half of the twentieth century, but in the twenty-first is increasingly supplemented or displaced by the *Open Method of Co-ordination* which rebalances control away from the EU institutional level, towards Member State level actors.

Cross-cutting is used as shorthand for third sector relevant cross-cutting, and refers to concepts/beliefs or policies/practices/actions which are not confined to within *vertical policy fields*, but which are (a) either held to be relevant or applied discretely but according to common principles within two or more vertical policy fields, especially in the social welfare domain; or (b) which are held to be relevant/applied as a matter of 'generic' policy. Policy development in relation to these processes typically involves *specialist third sector-specific policy actors* within and outside the State, forming relatively loosely coupled 'policy networks' and/or a more formally institutionalised and recognised 'policy community' nominally involving a core of shared values and beliefs expressed in political rhetoric and/or the technical codified discourse associated with specialist policy instruments. The result can be the creation and perpetuation of a policy space jointly recognised by these experts as constituting the subject matter of third sector policy (using some collective noun) which is not reducible to the policy contents of a particular vertical field.

Domain Used to specify the level of policy between vertical policy field and the macro system of policy and politics. In relation to the third sector, the domain which TSEP has demonstrated is of most (but not universal) relevance is the *social welfare domain*.

European problem set refers to the cluster of high salience European policy issues or problems with which the third sector has most consistently been linked by policy actors at European, national and sub-national levels. Included here are *governance*; *social exclusion*; and unemployment. Third sector organisations may be seen as 'partners' whose contributions can and should be mobilised as part of the process of problem management, or problem solving.

Governance has multiple and contested meanings; but at its broadest, it can be used to refer to institutionally ordered arrangements for shaping the processing of policy at the key stages of agenda setting, decision making, implementation and evaluation. It tends to be linked to steering or strategic - as opposed to tactical - processes; patterned as opposed to unstructured relationships and interactions; and to be associated with such values as accountability, transparency, and effectiveness. The ways in which the third sector is linked to governance varies significantly across contexts, but often considered in scope are issues both in relation to internal governance - the design and application of appropriate legal structures and micro-constitutional models in the light of third sector specificities such as voluntarism and non-profit-distribution; and issues in relation to external governance, including how the third sector can and should fit as an actor at each of the policy stages, wherein it is one policy actor amongst many.

Horizontal policy is synonymous with *cross cutting* policy. Note that there are 'pure' cases of horizontality, whereby policies or concepts are related to the entire third sector as defined in the relevant collective nouns. But we *also* include as 'horizontal' narrower-in-scope concepts or policies which cut across some but not all *vertical fields*. In particular, overarching social welfare regime policies and practices, social inclusion policies and community development policies can be considered in scope, even if not extending outside the *social welfare domain*, to the extent that they necessarily suggest, involve or imply, participation by the third sector and its stakeholders.[1]

Industry-specific policies that are relevant to a particular *vertical field* only.

Mainstreaming is shorthand for *public policy* mainstreaming and refers to a situation in which the mainstreamed policy issue or problem (here, the third sector) is not only supported by technical institutions, but has high political and social visibility, and is seen by systemically powerful actors as of high generic public policy salience.

Multi-level process refers to how the European, national and subnational levels of public policy are inter-related. The extent to which this constitutes third sector policies is examined in the TSEP network by policy *cases*. Note that this is not synonymous with multi-level *governance* - which is typically used as a framing concept to claim that substantive power is situated at more than one level. The extent to which multi-level processes involve a reconfiguration towards multi level governance is treated as an open question for research.

Open Method of Coordination is based on mutual agreement of policy objectives by Member States; the development of common guidelines, indicators, and targets; benchmarking of performance and exchange of good practices, formulation of national action plans; and peer review and joint monitoring of implementation in an iterative multi-year cycle. It increasingly supplements and even displaces the *Community Method*.

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[1] Note that other writers use this term differently, often including *intra-vertical* policy field *multi-sector* initiatives as horizontal, while we do not consider *per se* as the core subject matter of our network. However, indirectly such policies may lead indirectly to our notion of horizontality, through spillover effects or *ex post* political construction of policy, as noted elsewhere.

Path dependency Refers to how historical policy decisions create a 'policy legacy', which can have long term consequences for the possibilities of current and future policies

Policy is used in TSEP as shorthand for *public policy*.

Policy entrepreneurship refers to actions taken either to deliberately change, or to deliberately protect, public policies - here, third sector specific policies. Such efforts typically involve the formation of *coalitions* between individuals or organisations, or both and are heavily constrained by national political opportunity structures. In the TSEP network, research effort has been directed at describing and analysing the entrepreneurship of full or part time *specialist third sector-specific policy actors*. Most horizontal third sector policy entrepreneurship takes place at the national level or below, but there are some individuals and organisations that specialise at the EU level, and some who operate on multiple levels.

Policy field is shorthand for *vertical policy field*.

Policy mode is a helpful way of recognising and analysing the different types of broad policy approaches that jointly constitute the highly complex EU public policy process. Examples of distinctive modes are the *community method* (relevant to the third sector in the European Statute of Association case) and the *open method of co-ordination* (relevant to the third sector in the case of National Action Plans for *social exclusion* and employment).

Policy learning refers to the impetus for policy change which occurs when actors adopt strategies, or various forms of policy belief, in the light of experience; or policy changes due to new information and analysis, generated by *policy entrepreneurs*, perhaps operating as part of *coalitions*.

Public policy comprises two elements. Unless otherwise qualified, 'policy' refers to intended courses of action which are explicitly and proactively articulated by actors with significant levels of political authority, and reflected in patterned policy discourse, events and institutions. If past policy decisions continue to be relevant because (due to *path dependency*) they shape current administration practices, resource allocation and the distribution of power, but they are *not* actively sustained and pushed as a categorical, proactive policy, they can be described as 'latent', that is implicit, policy. 'Public' refers to institutions and events involving 'that dimension of human activity which is regarded as requiring governmental or social regulation or intervention, or at least common action' (Parsons, 1995).

Social exclusion has been defined by the European commission as 'referring to the multiple and changing factors resulting in people being excluded from the normal exchanges, practices and rights of modern society. Poverty is one of the most obvious factors, but social exclusion also refers to housing, education, health and access to services'.

Social welfare domain This corresponds to the 'welfare state regime' policy space. It is a 'meso level' concept nested within, and developmentally bound up with, the prevailing generic national political and public policy system, while being broader than a single *vertical field*. Within it are the family of 'human services' or 'social [welfare] services' whose vertical components include ICNPO groups 4 ('personal' social services, or social care, and income maintenance), group 6 (development and housing, including employment & training), part of group 7 (advocacy, to the extent it is geared towards social welfare; and excluding political parties); group 3 (health) and group 2 (education and research). Many of these services are (jointly) implicated in tackling *social exclusion*. Note that this formulation is not limited to 'service provision' in the sense of ownership and management of establishments (as with provision of care homes, social housing) but inclusive also of social welfare oriented activities in addition to/separate from direct services, including social welfare oriented self-help and community based activities, advocacy

(campaigning on social policy issues, and individual clients' rights etc), involvement in social welfare and social policy design, monitoring etc.

Specialist third sector-specific policy actors are the carriers of purposive *third sector specific policy* who claim to hold relevant expertise and knowledge. They may be full time specialist individuals or organisations, but such actors are often part time, fulfilling this role separately and/or in conjunction with other contributions to the policy system (particularly in the social welfare domain). They operate within and outside the State, forming relatively loosely coupled 'policy networks' and/or a more formally institutionalised and recognised 'policy community', or 'policy communities'. At a minimum they share a language involving third sector collective nouns (otherwise they cannot be specialists); they may nominally claim to share a core of values and beliefs in relation to the third sector, expressed in political rhetoric and/or the technical codified discourse associated with the relevant specialist policy instruments. The result can be the creation and perpetuation of a policy space jointly recognised by these experts as constituting the subject matter of third sector policy (using some collective noun) which is not reducible to the policy contents of any particular vertical field[2].

Spill over effects Policy effects and actions designed to apply in one domain or field which have consequences once adopted - and thus implicitly or explicitly, shape policies in other domains or fields.

Third sector at the highest level of generality refers to organisations situated between the market and the state in terms of ownership and control. TSEP needed more specificity to initiate research into this construct as an object of policy: It was therefore provisionally taken to include those organisations which are self-governing and constitutionally independent of the state; do not involve the distribution of profits to shareholders; and benefit to a significant degree from voluntarism. This was an initial orienting working definition of the third sector - but in application, this has had to be sensitive to national conditions, since our unit of analysis has been the actual existing horizontal policy community or communities with its associated constructs. In other words, the specific 'indigenous' conceptualisation (or conceptualisations) deployed in practice was a question to be determined empirically, not *a priori* imposed. By referring to more than one collective noun, and the relative salience of each from the perspective of policy network or community members, we are also able to reflect differences within countries, where boundary disputes and the contest between competing definitions is itself part of the policy process (since notions putting the accent on 'civil society', 'voluntarism', and 'social economy' for example, typically co-exist).

Third sector [specific] policy is usually used either as shorthand for *horizontal* third sector policy; or to refer to the sum of horizontal cross cutting policies, policies which are partly horizontal and partly vertical. As used in this network, it is by definition concerned *only* with public policy that is horizontal to at least a certain extent. It thus can contain both 'deliberate' policy designed or constructed for the third sector, and policies which are more accidental, *ex post* constructed as third sector policies, and therefore seen as relevant by actors who style themselves as third sector stakeholders. Third sector specific policies are sustained by policy networks and/or policy communities, where the latter are characterised by specialisation, involving claims-making in relation to expertise. In these specialist networks and/or communities, the third sector is often - but not always - coupled to problems and issues associated with the social welfare domain,

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[2] Policies may not be cross cutting *initially* if developed independently within vertical policy fields; but *become* cross cutting if *ex post* 'joined up' by significant policy actors coordinating across or (if powerful) able to authoritatively transcend vertical policy fields. These policies can then be viewed after, and only after, the formative, politically constructive event of 'joining up' by policy actors as jointly constituting a shared 'horizontal' policy; otherwise they are considered not to exist as 'horizontal', or only 'latent'.

particularly social exclusion and unemployment. The agendas of these policy networks or communities tend to include reference to the third sector's policy environment in terms of legal structures and wider governance arrangements; institutional processes for mediating third sector-public sector/State relations; arrangements for involvement across policy stages and policy modes; and the promotion of voluntarism, including volunteering.

Third sector stakeholders include actors who consciously have a significant role in third sector policy. It includes third sector organisations themselves, but also other actors including politicians, public officials, academics, the media, trade unions and (for-profit) business.

Vertical policy field Policies that are developed and apply essentially *within* a particular field or domain: here, horizontal institutions may differentiate between organisations but in the background or incidentally, rather than as the focal point of policy activity. To define 'field' boundaries, we follow the standard industrial classification adapted to account for the specificities of the third sector, as represented in the International Classification of Nonprofit Organisations (ICNPO). Policies which relate to a particular Group or subgroup of the ICNPO are considered 'vertical'; while those which relate to two or more fields may be considered horizontal, either 'narrower' or 'broader' according to the range of fields in scope. Empirically in Europe, relevant policies are often (but not always) closely linked to the *social welfare domain*.

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Appendix 2: Basic descriptive information on third sector horizontal policy actors: selected organisations constituted as associations, foundations or public benefit corporations.

A   Information Centre of NGOs (ICN)

1. **Name**
    Informační centrum neziskových organizací

2. **Year of origin as informal network and as formal structure**
    1991/2

3. **Legal format**
    Obecně prospěšná společnost (Public Benefit Corporation)

4. **Membership**
    ICN is not a membership organization

5. **Industry**
    Administration of information, education and publication services (special libraries, file database of NGOs, database of financial resources, journal publishing etc.), support of NGOs' development and informing general public about the benefit NGOs bring to society.
    Target groups: NGOs, public administration, entrepreneurs, companies, media

6. **Level –** national

7. **Financial resources: sources of income 2002**
    Total budget in 2002 = 260,000 Euro

8. **Human resources, numbers of paid and unpaid employees**
    15 employees

9. **Current policy priorities (2002-2004)**
    PR services (e.g. campaign '30 Days for the Nonprofit Sector'), education and counselling services, publication services, information services, administration of grant programme under Foundation of Robert Boch (Nadace Roberta Boche)

10. **Current relations (2002-2004) with other horizontal third sector bodies**
    ICN is a member of these associations:
    Association of counselling information centre and Orpheus Civil Society Network
    ICN cooperates with libraries and universities:
    Cooperation with public libraries to provide information services for non-profit organisations in regions
    Also with the Faculty of Humane Studies, US

11. **Websites, e-mail**
    www.neziskovky.cz, icn@icn.cz

B VIA Foundation

1. **Name**
   Nadace VIA

2. **Year of origin as informal network and as formal structure**
   1997 - programmatic channel of the activities of the American foundation. 'The Foundation for a Civil Society'

3. **Legal format –** foundation

4. **Membership**
   VIA is not a membership organization

5. **Industry**
   Support for active public participation in the development of democracy in the Czech Republic, support for local initiatives in development of nonprofit organisations, philanthropy, and grant support for NGOs

6. **Level -** national

7. **Financial resources**
   Total Income in 2002 = 280,000 Euro

8. **Human resources, numbers of paid and unpaid employees**
   13 employees & 3 permanent co-workers

9. **Current policy priorities (2002-2004)**
   Grant programmes - help in floods, local and communication development, NGOs' development, philanthropy development

10. **Current relations (2002-2004) with other horizontal third sector bodies**
    Co-operation with NROs, Fórem dárců, Open Society Fund, Člověk v tísni.

11. **Websites, e-mail**
    www.nadacevia.cz

C Open Society Fund (OSF)

1. **Name**
   Open Society Fund Praha

2. **Year of origin as informal network and as formal structure**
   1992

3. **Legal format -** foundation

4. **Membership -** OSF is not membership organization

5. **Industry**
   Programme of international cooperation (East East), education and bursarial programmes, programmes from the art and culture sphere, programmes of civic society development, programmes from the health services sphere, programmes from the sphere of public government and self-government

6. **Level -** national

7. **Human resources, numbers of paid and unpaid employees**
    10 employees

8. **Current policy priorities (2002-2004)**
    - see point 5.

9. **Current relations (2002-2004) with other horizontál third sector bodies**
    Membership in European Foundation centre - Foundation Association, member of
    Czech Donors Forum
    Partner of CEE Trust
    Co-operation with Transparency International, Ekological Legal Service, Člověk v tísni and
    others NGOs

10. **Websites, e-mail**
    www.osf.cz

D   **'Green circle'**

1. **Name**
    Zelený kruh

2. **Year of origin as informal network and as formal structure**
    1989

3. **Legal format**
    Civil Association

4. **Membership**
    25 branches in Czech Republic

5. **Industry**
    Platform of ecological non-government organisations, information and legislative centre for NGOs and the public

6. **Level -** national

7. **Financial resources:**
    Income 2002 = 148,000 Euro

8. **Human resources, numbers of paid and unpaid employees**
    5 employees

9. **Current policy priorities (2002-2004)**
    Legislative centre - support for environmental organisations through the formation and the assertion of environment policy
    Information centre - information gathering and dissemination about environmental protection
    Contact place Czech National Committee UNEP (programme OSN for environmental protection)
    Ekolinka service (telephone and information line)

10. **Current relations (2002-2004) with other horizontal third sector bodies**
    Membership of the European Network of Environmental Organizations (EEB)
    Membership in the Network of Ecological Consulting Centres and in Coalition of Consumers' Activities

11. **Websites, e-mail**
    www.zalenykruh.cz

E   HESTIA

1. **Name**
    Národní dobrovolnické centrum (The National Volunteer Centre)

2. **Year of origin as informal network and as formal structure**
    1993

3. **Legal format -** civil association

4. **Industry**
    Advertising and support for the volunteer idea, seminars, training and education of volunteers, consultancy, supervision and residencies for volunteers and professionals, connecting with similar initiatives and institutions in the Czech Republic and also abroad. Advertising and publicity for the above mentioned activities.

5. **Level -** national

6. **Current relations (2002-2004) with other horizontal third sector bodies**
    HESTIA is a part of the voluntary centres' network in the Middle and Eastern Europe - Volunteernet - and a member of the international voluntary organisations IAVE, CEV, ENYMO, BBBSI and Volonteurope
    Cooperation with NGOS associated in the Coalition of Volunteering Initiatives

7. **Websites,**
    www.hest.cz

F   AGNES

1. **Name**
    Agentura neziskového sektoru (Nonprofit Sector Agency)

2. **Year of origin as informal network and as formal structure**
    1998

3. **Legal format -** civil association

4. **Number of branches**
    Only one branch

5. **Industry**
    Education, information and consulting services for NGOs, research into the Nonprofit Sector
    and publishing activities; organizational and technical services for NGOs
    Target group - NGOs' employees, young people, high school students, general public

6. **Level -** national

7. **Financial resources:**
    Income 2002 = 156,000 Euro

8. **Human resources, numbers of paid and unpaid employees**
    5 employees, 3 external collaborators

9. **Resource allocation - priorities**
    Education, cultural-integrative activities in the Club activities

10. **Current policy priorities (2002-2004)**
    1. Education
    2. Club activities
    3. Research

11. **Current relations (2002-2004) with other horizontal third sector bodies**
    Donors: NROS, MZ ČR, Česká národní agentura Mládež (Czech Youth National Agency),
    Czech Ministry of Foreign Affairs, OSF, Czech-German Fund of the Future

12. **websites, e-mail**
    www.agnes.cz, agnes@agnes.cz

G   Forum dárců

1. **Name**
    Czech Donors Forum

2. **Legal format**
    Civil Association

3. **Membership**
    Czech donors' forum associates 37 foundations, 9 foundations' funds and 12 donors
    (commercial) organisations

4. **Industry**
    Foundations and foundations' funds, offers educational, counselling and information services,
    lobbying for NGOs, publishes a Newsletter FD quarterly.
    Programmes:
    - **Education of the foundation sector in CR -** providing courses in the field of law,
    accounting, audit, taxes, marketing, PR, fundraising, management, etc.
    - **Development of business donors**
    Programme focused on improvement of awareness and communication between business
    donors and nonprofit organisations.
    - **Building-up favourable legislative and tax background for donors and NGOs'**
    Target groups:
        - Czech and foreign foundations and foundation funds, inclusive business
        - Natural persons and companies which present the means for the public beneficial
        purposes
        - Media
        - Public government
        - General public.

5. **Level -** national

6. **Human resources, numbers of paid and unpaid employees**
    11 employees

7. **Current policy priorities (2002-2004)**
    o   to support the development of philanthropy in the Czech Republic, above all through working
        with donors
    o   to participate in the generation of a fully valuable and functional civic society

8. **Current relations (2002-2004) with other horizontal third sector bodies**
    In the frame of the association both a Donors' Forum Foundation Association and Donors'
    Forum Foundations' Funds Association have been started up. These bring together the
    foundations and foundations' funds who subscribe to rules of ethical behaviour and work
    together for the development of the Czech foundation legal background. Since November
    2003 a Club for business donors, Donator, has operated in association with the Donors'
    Forum

9. **Websites, e-mail**
    www.donorsforum.cz, donorsforum@donorsforum.cz

H   NROS

1. **Name**
    Nadace rozvoje občanské společnosti (Foundation for civic society development)

2. **Year of origin as informal network and as formal structure**
    1993

3. **Legal format -** foundation

4. **Number of offices**
    1 office

5. **Industry**
    At the present time NROS has three main priorities which it aims to accomplish through its various programmes:
    1. Development of civic society and the nonprofit sector
    2. Field of human rights and integration of Roma people
    3. Programmes for children and young people

7. **Level** - national

8. **Financial resources: total budget in 2002, sources of income 2002**
    Not known.

9. **Human resources, numbers of paid and unpaid employees**
    32 employees

10. **Website address:**
    www.nros.cz

I   SKOK

1. **Name**
Spolek Oborové Konference nestátních neziskových organizací
působících v sociální a zdravotně sociální oblasti (Association of nonstate nonprofit
organisations acting in social and health fields)

2. **Year of origin as informal network and as formal structure**
2002

3. **Legal format**
Civil Association

4. **Membership**
Association SKOK has 74 members - all organisations.

5. **Industry**
SKOK's mission is to contribute to the development of social and health services..

   Goals:
   To participate in the creation of social policy with regard to the interests of consumers of
   social and health services.

   - To develop new forms of humanitarian help in the field of social and health care,

   - To support of NGOs as an integral part of civil society

   - To support NGOs' co-operation,

   - To help the flow of information from the field of social care to the general public,

   - To act as an advocate for its members

   - To support and help accommodate the Czech NGOs in relation to the EU

6. **Level** - national

Background to the Centre for Civil Society

The Centre for Civil Society (CCS) is a leading, international organisation for research, analysis, debate and learning about civil society. It is based within the Department of Social Policy at the London School of Economics. Established initially as the Centre for Voluntary Organisation, the Centre has for over 20 years pioneered the study of the voluntary sector in the UK, development NGOs and civil society organisations throughout the world. The CCS is distinguished by its interdisciplinary and reflective approach to understanding whether and how civil society contributes to processes of social, political and policy change and continuity. Its core staff, research associates and visiting fellows cover a range of disciplines, including social policy, anthropology, political science, development studies, law, sociology, international relations and economics.

Objectives

Through research, teaching and policy analysis, the Centre adds to knowledge about the types, roles and contributions of civil society and social economic institutions in Britain, Europe and other parts of the world. The Centre's four major objectives are to:
 • Improve understanding of civil society and social economy institutions;
 • Inform policy-making at local, regional, national and international levels;
 • Provide academic and professional education; and
 • Create a vibrant intellectual community for the study of civil society/the social economy.

Research

Research is one of the Centre's core activities. It maintains a highly active and diversified research programme, ranging from basic theoretical approaches and empirical work to organisational and policy studies to historical analysis. Many research projects are inter-disciplinary and comparative. Examples of current and planned research projects include:
 • Mapping civil society;
 • The culture of giving in Britain;
 • The European Union and the voluntary sector;
 • Civil society and value changes in Britain;
 • History of housing associations;
 • Foundations in Europe;
 • Studying small, local organisations; and
 • NGOs and development.

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