



In search of the Czech Future

Final Project Summary

Acknowledgements

The three-year In Search of the Czech Future project was comprised of a series of meetings between the authors of the studies, thematic discussion seminars with the participation of more than one-hundred experts, academics and government officials, campaigners, business and civic representatives, as well as discussions open to the general public. I thank all those who took part in these activities for devoting their time and experience. Special thanks goes to Heinrich-Böll-Stiftung in Prague, especially Director Eva van de Rakt, and to the Green European Foundation for the financial support and comprehensive assistance they provided. Thanks also to the independent analytical centre Glopolis and its Director, Petr Lebeda, for providing facilities and creative cooperation on the project. I've highly appreciated the valuable suggestions and comments by Jana Matesová. For inspiration and involvement in discussions I'd like to express my thanks also to Kateřina Bocianová and Vladimíra Dvořáková. I am grateful to Šádí Shanaáh, without whose constant support this project would never have been realised.

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I. Why speak about the future

Discussing a common future in a perspective longer than a single term in office is not very common in the Czech Republic today. At the same time, it is a type of discussion that has its own rules and limitations if one expects the results to be of any value.

In the watershed period just after November 1989, few of us were able to imagine what life would look like today. The notions of Czech (or more accurately Czechoslovak) society were tied to achieving a standard of living on par with the Germans or Austrians. Although the ideals of human rights, democracy and prosperity were the driving force of social change, after twenty-five years a large part of society believes that we have failed in something of great importance. At the same time, the **disappointment** in the inefficient functioning of the state, the level of parliamentary politics or economic development and the related standard of living is also accompanied by relatively low civic involvement in public life, low trust in the government and weak faith in the ability of a citizen to make a significant difference.

The post-1989 era of Czech society began with high expectations undoubtedly fuelled by a yearning for a better life – civic, material and spiritual. The preceding years of the deteriorating communist regime were characterised not only by the repression of those in open and more covert opposition but also by the broad-based **conformity** of Czechoslovak society. This long-term adaptation to life in ‘real socialism’ was based on an important condition – the ability to accept life in a disjointed world in which officially spoken words were detached from their true meaning. Public life was separated from private life, and it was possible that outwardly manifested loyalty or indifference to the regime was consistent with inward contempt. It was the ability to accept the fact – each to a different degree – that reality diverging from the language used to describe it was a common thing.

An open view of the pre-November past, a period in which many of today’s citizens lived, and a rejection of the social stereotypes of those years are not the only prerequisites for a meaningful discussion on our common future. An equally critical look at Czech society of the **1990s** and all that followed is also required. After twenty-five years, it is impossible to keep insisting that the only excuse for Czech failure and dissatisfaction is the heritage of the pre-November regime.

The 1990s further weakened many of the terms important for this debate. Economic reforms were the prevailing theme of changes at the time, while the restoration of the legal state was taken up only later. Political parties adopted

a broad range of identities – left, right, liberal, conservative and other ideological labels – even before it was clear what program they actually wished to pursue. The dream of raising the **standard of living** was realised for the various parts of society to a substantially different degree, the result of numerous conditions such as the economic structure of regions, the level of education and the quality of local government.

In addition to prosperous centres, ghettos also formed; areas such as the Ústí region, northern Moravia and a large part of the countryside wrestle with high unemployment, low average education and dismal prospects. Still, economic indicators speak of a healthy banking system and the lowest degree of risk of falling into poverty. According to a European Commission survey from 2014, 15.4% of the Czech population is threatened by poverty and **social exclusion**. This is the second lowest figure in the entire EU.¹ Nevertheless, the number of people threatened by poverty in the Czech Republic is increasing. Those at greatest risk are seniors living alone and single parents. The number of socially excluded locations is also increasing..

¹ The Netherlands has the lowest figure – 15%. Bulgaria is at the opposite end of the spectrum with a 49.3% risk rate (Eurostat 2014).

Inequality as a barrier to free society

As social disparities are very subjective, the issue is highly controversial. Although there was a slight increase in inequality in the 1990s after the fall of the communist regime, this trend later ceased and today the Czech Republic ranks alongside Denmark, Norway and Slovenia as having the lowest level of inequality in the entire OECD, an organisation whose members are the most advanced countries in the world.

In response to the communist period, the post-revolution 1990s focussed primarily on the cultivation and development of the rights of individuals as economic and social actors responsible for themselves. The prevailing belief at the time was that a successful society could be achieved by creating adequate conditions for the success of individuals. In the extreme, the state was regarded as something irrelevant and unimportant. Nevertheless, despite the enormous and fast social transformations, the social state was preserved in nearly its entire scope without its significance being questioned or discussed in greater depth. In contrast, during the recent economic crisis, the social state was partially dismantled by budget cuts, measures that had a severe impact especially on threatened groups of the population.

Why does inequality matter?

A high level of inequality has high social costs; it is accompanied by a wide range of negative social phenomena and has an adverse impact on the quality of life. The influence on the poorer part of the population is obvious – these citizens are left with a subjective and objective feeling of hardship and frustration.

Even better-off citizens who potentially benefit from inequality can be threatened if the imbalance escalates into social tension or begins to undermine economic growth. Substantial differences between the rich and poor evoke a sense of injustice and frustration. Along with objective material difficulties, inequality can lead to the growth of social tension or even violence against the wealthiest and most privileged members of society.

If the middle class begins to experience declining income, as the latest study by the International Monetary Fund documents, 'aggregate demand' often drops in the economy as a whole.

Moral arguments should be added to those of a pragmatic nature. Some people see certain roots of poverty in injustice and feel a sense of guilt or co-responsibility for the fate of others. Czech society remains relatively sensitive to social differences, despite the fact that today the majority of society does not officially profess to the Christian faith, which traditionally emphasises solidarity and compassion.

Although individual politicians cannot understandably concentrate exclusively on one factor in the quality of life, the interdependence of these factors makes it necessary to create a comprehensive program to reduce both income and social inequality in society. Above all, it is necessary to take into account groups in aggravated situations on several levels and to give them a chance at a better life.

Poor parents, poor children?

There is consensus mainly on the issue of intergenerational continuity. In our culture, one that places a heavy premium on the freedom of the individual, there is a prevailing conviction that children shouldn't suffer for the mistakes of their parents and that they should have a comparable starting position on their road to a fulfilling future. But even though income differences are relatively low in the Czech population, social mobility is quite limited. Inequity in the access to education is one of the most insidious forms of social injustice. Around the world, the academic results of children in schools are largely determined by their socioeconomic origin, and the Czech Republic is no exception in this regard.

Statistics show that the results achieved by children in school are the most heavily influenced up to a certain age by where and into which family they were born. Family background has a direct impact not only on the academic achievements of children – on whether, for example, their parents sit down to help them with their homework, on whether they are interested in the progress their children make at school and whether they are able to provide support when problems arise: family background also has a profound effect on children's aspirations.

From a relatively early age, our education system separates children based on their perceived talent into a variety of institutions ranging from practical schools up to multi-year college preparatory high schools. Regional inequalities are also intensifying, for example,

between Prague, the city with the highest income and the destination of many students commuting from the Central Bohemian Region, and the other parts of the country. Among other things, this excessively early selection results in the inability of society to appreciate and develop the diverse needs of each student, thus limiting their possibilities in life and irretrievably depriving society of its most valuable resources.

Based on the study by Petr Janský and Tomáš Brzobohatý

Today there are also visible cracks in the dream of a lively and **developed democracy**. The performance of state administration, citizen access to information and the transparency of state, regional and municipal finances fall well short of common notions of good governance.

It is not surprising then that the past quarter of a century in the country can be retold in very **different stories** from the perspective of the winners and losers, whose perception of their own standing in society, their ability to endure and their future prospects differ widely.

There is no question that many things were successful over the past twenty-five years of free development – the establishment of basic democratic institutions, the renewal of a market economy and the relaxation of social and private life. Of course, a look at the failures leaves no option other than to admit the obvious. **Responsibility** for flagging democracy, the persistent deep lack of trust of a large part of society in the state and its institutions, the inability of the Czech government to more profoundly revive the local economy, to improve the education system and to better utilise the potential of Czech researchers has been borne since 1989 not only by the political elite but by society as whole, i.e. to a certain degree by each and every one of us.

And thus it becomes reasonable to ask what must be done to ensure that life in the Czech Republic and Europe improves substantially in the next twenty-five years. What can we do **on our own**? What will require **cooperation** with others? What needs to be at least **prepared**, since the possibilities to influence something could very well be limited? It is critical to begin a serious discussion about the Czech future and to put the results of this conversation into practice with knowledge of all the opportunities and possible pitfalls.



II. Finding common ground

With regard to the legacy of recent decades addressed in the previous chapter, it wasn't and still isn't clear how to discuss a vision of a common future. After all, a conversation of this type requires patient **work with concepts** whose content was perhaps affected the most both prior to November 1989 and in the following two decades: vision, values, future, public interest, citizenship, nation, politics, etc. Simply the notion of work on a joint vision evokes a sense of discomfort in many of us, since 'joint' also means losing a bit of one's own personal freedom and the necessity to accept an external dictate over which we no longer have complete control as individuals. And yet, it is precisely the ability of human society to come together in freedom and democracy for a particular goal that can bring each individual member new space for freedom and self realisation. This dimension of citizenship has not been sufficiently cultivated thus far; it has been wrongfully neglected or even scorned for historical and ideological reasons. Finding this lost ability to **cooperate for the purpose of pursuing long-term goals**, its cultivation and development is one of the keys to a better future for Czech society.

We have a choice. The first possibility is to remain indifferent to what awaits us and only concern ourselves with what is immediately necessary – in planning the day, our career, the reconstruction of our home, holiday or monitoring the promises of political parties for the next four years. But if it turns out that the legacy in the form of customs, **ideological stereotypes** and ideas about ourselves and the world around us impede our success in this new and quickly changing world, it is necessary to make a break with these old ways and to replace them with entirely practical conditions allowing Czech society to have a confident discussion on its future and establish common goals that stretch beyond the horizon of the next parliamentary elections.

What would such goals look like? If we are no longer joined by faith, political convictions or even the fading memory of November 1989, we must find **binding thoughts and goals** which move us as a society toward more patient and thorough cooperation on improving life in the Czech Republic and beyond its borders. These goals can only come from a broad and consciously pursued public discussion with multilateral support on the quality of our democracy, the possibilities of involving citizens in political decisions or, for example, the protection of values that cannot be so easily defined by their monetary value.

The Czech Republic is undoubtedly facing issues that **do not differ significantly from the problems of other** comparably developed countries; in the same way, this discussion cannot be divided from the European and global context. It can certainly also be argued that the social **discussion** on our future is **continually taking place** – in the media, in civil society and above all in democratic elections. The aim of this project is to demonstrate that the question of the Czech future has been inadequately addressed thus far and that we alone are accountable for the way we deal with this matter, despite the fact that we live in the middle of Europe and are an indivisible part of it.

Compared to more advanced countries, the way we think about ourselves today as Czech citizens and Czech society is often still too closed, too immature and insufficiently aware of the risks and opportunities in and around us. And yet, the opportunities to change this situation are not lacking. A closer look reveals paths both proven and less known elsewhere that could be taken in the pursuit of improving the quality of life in the country.

Quality of life is a concept that encompasses not only our personal health, professional success, a satisfied family life and a circle of friends, a clean natural environment, public space, safety but also the social conditions that make all of these possible: a lively democracy, a healthy civil society, a functioning state and a just legal system. It was therefore the objective of the analyses and deliberations in this project to show that there are possibilities within our reach for a getting a better grip on our own future.

Growth in GDP or quality of life?

Although newspaper headlines mainly draw attention to indicators such as gross domestic product (GDP), the average wage and the unemployment rate, it is clear that they capture social reality and the quality of life to a very limited extent. The GDP values types of manufactured goods and provided services at market prices, assigning them weights based on market prices and consumer preferences. However, this practice has its limitations. For example, it does not reflect differences in income between individual members or groups of society, let alone differences in the quality of life. The GDP says nothing about intangible goods and values or the state of resources, natural or human, used by society, and therefore cannot be taken as an indicator of the quality of life of the population or the sustainability of the development of a given community.

For this reason, countries around the world (including the Czech Republic) are dealing with the question of how to effectively and as painlessly as possible switch to other indicators that will better reflect the quality of life and also make it possible to capture other dimensions of development. Regardless of the extent to which they are already utilised,

there are many indicators of the quality of life, including the Human Development Index or the Better Life Index developed by the OECD. Less common measures include the Happy Planet Index, the Genuine Progress Indicator and Gross National Happiness.

An important attempt to move beyond the GDP was the report by the Commission on the Measurement of Economic Performance and Social Progress established by French President Nicolas Sarkozy in 2008. The report was written by the noted economists Joseph E. Stiglitz, Amartya Sen and Jean-Paul Fitoussi. The commission produced several proposals for correcting the GDP to better reflect the actual material standard of living of households: (1) they emphasised the main role of the value of real income and consumption, not just the values of manufactured goods and (2) took into account wealth (including natural and human capital) as well as the value of assets along with income and consumption. (3) They also placed an emphasis on the perspective of households. After all, in the past decade real household income grew significantly slower than GDP in the majority of advanced countries. (4) They highlighted the importance of the distribution of income, consumption and wealth in society, and (5) factored in the value of services not provided on the market.

But while these corrections provide a more precise image of material prosperity, they also do not **reflect intangible goods, which have a major impact on the quality of life**. The public debate on alternative indicators that would reflect these aspects therefore continues. Subjective and objective factors are under consideration. An important **subjective measure** is the satisfaction of citizens; however, determining satisfaction is methodologically challenging using surveys, thus complicating comparisons. The most commonly mentioned **objective factors** are health, education, personal activities and free time, political engagement and civil society, personal relations, the environment, personal safety and economic uncertainty.

Better Life Index. There are other comprehensive approaches to measuring the quality of life. For example, the OECD developed the complex method known as the 'Better Life Index', which works with both objective and subjective factors. The aim of this index is not to rank countries but to engage citizens in the discussion on the quality of life and facilitate a comparison of countries based on the emphasis placed on eleven areas: community, education, the environment, civic engagement, health, housing, income, jobs, life satisfaction, safety and work-life balance. This individual index makes it possible to track differences between countries based on priorities as well as differences between men and women.

Based on the study by Petr Janský and Tomáš Brzobohatý

The creation of this text was preceded by a three-year **project** in which a group of several Czech analysts used roundtable discussions with more than one-hundred academics, businessmen and the representatives of civic initiatives to address the possibilities for looking at the Czech future from a new perspective. The main questions included what could be done to enable Czech society to increase the possibilities for thinking about and implementing policies to improve the quality of life, develop democracy, engage more citizens in decision-making and to foster economic prosperity that will withstand crises and be environmentally friendly.

The goal of the *In Search of the Czech Future* project was not to cover all the areas and perform an exhaustive analysis of the potential opportunities. Instead, the objective of the project is to determine and demonstrate using model cases the path to a **qualitative change in Czech society**, policies and economic measures in selected areas of fundamental importance and to inspire further questions, thought and discussion.

A **series of thematic studies** created as part of the project and totalling several hundred pages were subjected to numerous discussions. Due to their length, in addition to their publication in electronic form and a limited number of printed copies of the full versions of all of the studies (Anthology of the *In Search of the Czech Future* project²), a decision was also made to publish the content of the project in this abbreviated form. The purpose of this Final Project Summary of the *In Search of the Czech Future* project is to provide a framework for our reflections, the key insights and ideas, and to present some of the topics addressed in the thematic studies. Some of the topics are included in the framed sections. We hope that they motivate you to read the full texts of these and other analyses performed in this project.

This publication is our contribution to **stimulating the Czech discussion** on the future and direction of our society. We are aware that our limited possibilities meant that many aspects were not addressed, that over the length of the project some of the views could lose their currency and that the conclusions and proposed solutions would be controversial. However, it wasn't our intention to present them as the only possible solutions but rather to fuel additional discussions, better define their necessary parameters and to contribute to the search for deeper social consensus on necessary changes.

² The Anthology of the *In Search of the Czech Future* project will be available in electronic form on the Internet as of 1 February 2015, or you can inquire about its availability in printed form at the Glopolis analytical centre (www.glopolis.org).



III. An end to catching up

It is hardly surprising that the past two and a half decades were a period of catching up in Czech society. After forty years of life under the various forms of the communist regime, our eyes turned mainly toward a single goal: to get to where the democracies to the west of us were as fast as possible.

Deep-seated convictions were even reflected in the language: people spoke of the 'return to Europe' in the sense of regaining a rightful place among Western European countries. This was undoubtedly related to historical experience: although the Czech lands were always closely connected culturally, economically and politically to Western Europe, this affiliation could not always be taken for granted. Manifested in this sensed lack of certainty is the fact that throughout history the Czech nation always had to fight for membership in the West. The orientation of part of the Czech elite toward the East, especially Russia, since as far back as the national revival, forty unfortunate years of life in the Soviet sphere of influence and perhaps even the current Czech debate on the role of Russia in the conflict in eastern Ukraine are only a few of the many facets of the Czech struggle to find its authentic place at the cultural and power boundary between the East and the West.

If, in the future, we were able to look at this historical conflict from a different perspective, it would also create the possibility of using this uncertain affiliation to the West as an opportunity for integrative, supportive, critical and tolerant **efforts toward the eastern and southern parts** of Europe, i.e. a challenge involving the search for a new, more confident identity based on a different paradigm, one that doesn't view the country as a victim between the millstones of central European history.

In 1995, the Czech Republic was the first post-communist country to become a member of the Organisation for Economic Co-operation and Development (OECD), a group of the world's most economically developed states that have adopted the principles of democracy and market economics. However, the most important symbolic moments confirming our place among the advanced democracies of the world were two milestones: joining the **North Atlantic Treaty Organization** in 1999 and the **European Union** in 2004. With NATO membership, the Czech Republic became a clear part of the West's security architecture, while as an EU Member State, the country was admitted to the most successful political-economic union in the history of the world.

Efforts to become full-fledged members of these two groups had more than just political importance such as achieving historical objectives. Apparent in these two tales are the most recent attempts by Czech society to pursue some type of **medium-range goal**, one relatively strongly perceived as a vital interest of the whole, despite the fact that it was opposed by a significant, albeit considerably smaller part of society.³

Membership in NATO and the EU was perceived by the majority of society not only as a guaranteed future alongside the Western democracies but also as a **'historical necessity'**, a symbolic and practical departure from the pre-November past. On a personal level, this often took the form of 'historical reparations' for the wasted years. Of course, NATO and EU accession were only the first formal steps toward integration into the structures of the West.

³ Results of the Czech referendum on joining the EU from 13-14 June 2003: voter turnout 55.21%, in favour 77.33%, against 22.67%.

Foreign policy dilemma

The Czech Republic came into existence in 1993 as a state with a clear foreign policy interest – rejoining the West. However, the West has two faces in Czech perception: from the perspective of security interests, the West means the USA, while from an economic point of view, the West is represented by Germany. The United States is a guarantee of security, Germany a guarantee of prosperity. The focus on one or the other also has ideological implications manifested in the two Czech concepts of the West: Atlantic and European. To a certain extent, Czech Atlanticists take an American view of the world, while also emphasising the role of NATO and Great Britain. Proponents of the European view see the world through the eyes of Berlin, Paris and Brussels, regarding the EU as the decisive actor. Following the Czech return to the West, this difference was obscured by the Euro-Atlantic consensus.

The experience of Czech Europeanism can be encapsulated at the beginning of the twenty-first century in the terms 'Central Europe', 'small state' and 'post-communism'. The Central European identity fuels the notion of Europeanism. In addition to its economic and strategic dependence, the Czech Republic also has a mental link to Western Europe, from which it adopts models and a reference framework and whose recognition the Czech Republic aspires to obtain.

Three competing views

Three concepts that emerged differ from one another by the aspect of the communist experience they emphasise. Named after their main proponents, they are: Havel's view stressing the violation of human rights, Klaus's view reflecting the absence of economic freedom and Vondra's view emphasising Russian domination.

The Euro-Atlantic consensus crumbled under the strains of the Iraq War, the approval of the European Constitution (subsequently the Treaty of Lisbon) and Czech participation in the American missile defence project. Ideological differences are deepening between Atlantacists, who lean to the right, and advocates of the European orientation, who are mostly on the left. Moreover, there is a strengthening autonomist current wary of the West in general and which was previously associated only with the extreme left and right. Czech ideological interests are therefore lost today among three concepts (Havel's, Klaus's and Vondra's), three orientations (Atlantic, European, autonomous) and numerous other notions.

Utopian sovereignty

The greatest threat Czech society faces, one that does not represent a reciprocal danger to the West, is a rupture of the country's ties to the West. The sources of this threat are found today almost exclusively within Czech society itself. If there are plans by outside actors to break the Czech affiliation to the West, they make sense only in connection with the autonomous activities of certain Czech social forces. Their goals needn't be anti-Western and could in fact be based on Western values.

Many of these initiatives call for Czech sovereignty and attempt to protect the country from putative pressure from Brussels. At the same time, they ignore the fact that the ability of Czech society to act politically, which is precisely what sovereignty should be founded on, is substantially higher with the country in the EU and that with the strengthening of the EU in the world this capability will probably even increase. It is difficult to imagine a powerful Czech Republic in a weak Europe.

This threat of eroding Czech Europeanism can be handled politically with a thorough defence of the Czech narrative and by exposing the false arguments of advocates of a sovereign utopia. An even graver threat in the long-term is the Czech apathy on which every current and potential attempt at active involvement founders. Our interest in foreign policy and other similar concerns should be driven by a broad alliance of politically active citizens, including civic movements, businessmen and active politicians from all political parties. Bringing this alliance together will mean a rejection of the existing conditions and a positive vision for Czech Europeanism.

A new narrative

Even maintaining the institutional positions acquired with accession to the EU will require a more active approach toward European integration, including joining the Eurozone. Czech society needs a narrative that would make it possible to formulate both the domestic and international interests that inform the country's foreign policy. It must be a concept that addresses Czech society (internal support) and will also reflect the current global political reality (external support). Instead of an entirely new narrative, it will be one that combines both the new and the old.

In order to inform an effective foreign policy, it will have to be non-partisan. A possible starting point for the narrative can be the reality of a small Central European state with a western identity which is able to connect its communist and post-communist experience with a deeper tradition of care for human rights. EU membership gives Czech support for human rights a real tool that combines two great traditions of Czech politics – a European orientation and humanism.

Destined for multilateralism

Bilateral diplomacy continues to dominate Czech politics, an approach that is inappropriate given the available sources of power and the country's possibilities. Pure bilateral diplomacy should be limited to neighbours and Visegrád states, since the Czech Republic has neither the power nor analytical prerequisites for superregional or even global leverage on a bilateral level.

Ironically, the country is incapable of fully taking advantage of its institutional resources in the form of membership in NATO and the EU to enable more active multilateral diplomacy and supranational influence via EU institutions. Among other things, this would require the active preparation of officials for these institutions and maintaining contacts with them.

Moreover, in the twentieth century the West was composed of the political community of countries of Western Europe and North America. However, the future solidarity of the West could also look different. Regardless of its size, the West is not self-sufficient and will have to cooperate with non-Western powers and centres. Besides, non-Western need not mean anti-Western. In fact, even non-Western actors largely accept the institutional and intellectual influence of the West.

Based on the study by Petr Drulák

It still cannot be said that we are full-fledged assertive members with our own merits. We are not sufficiently engaged in joint decision-making and the fulfilment of the potential that these two organisations (and the Czech Republic) possess. We still do not have a clear policy toward the EU and NATO, and we are not even able to **take advantage of the related possibilities**. Due to the country's inward looking nature, which is manifested in low public and media interest in foreign affairs, the differences in opinions within the EU and NATO receive scant attention. Our interest in the challenges the EU faces from the USA, BRICS and developing countries is low. We make no effort to fulfil the Czech national interest, being unsure as to what it actually is.

The thematic studies and discussions that took place during the project naturally confirmed that the period preceding admission to the European Union was mainly of practical importance, the scope of which is difficult for anyone not directly involved in this issue to appreciate. EU accession meant thousands of legal changes necessitated by the adoption of European Union law. Efforts to join the EU were an exceptionally strong force in the modernisation of Czech law in all conceivable areas, including the impact on the country's political culture. One can only guess how long this transformation – this Europeanisation of the Czech Republic – would have taken if EU membership had not been so vigorously pursued. These changes also included laws and rules that weren't just related to economic policy and

agriculture but which, for example, involved public access to information, consumer health safety and the quality of public administration. Under the influence of Europeanisation or even directly under visible pressure from the EU, government offices were opened to citizens and non-governmental organisations. Domestic politics and its representatives at the time also had a major impact on the willingness of the ministries and offices to systematically cooperate with civil society.



IV. No roadmap

While efforts to join NATO and the European Union in the 1990s and at the beginning of the new millennium served as a fully adequate compass for domestic and foreign affairs, the situation is now completely different. The notion of a transforming country approaching Western models is **no longer enough** in today's world. It is hardly surprising that these old models continually resurface again and again in election skirmishes and political rhetoric. Instead of moving toward meaningful reform, Czech politics are stuck in a vicious circle of past and recent history.

Particularly remarkable is the fact that no one has broken this cycle with a **new narrative**. Indeed, it could be argued that a new narrative isn't even necessary. After all, these goals can be achieved by nurturing the established democratic institutions, the independent judiciary and market economy. However, it is precisely this line of thinking that represents perhaps the greatest paralyzing delusion of Czech society since November 1989. Rediscovering the ability to set and pursue goals as a country and society is a necessary condition for improving life in the Czech Republic. Finding new ground for cooperation between citizens in our country in the interest of our existence as a national community is a critical task today.

The aimless wandering of Czech society for years is a sufficient argument in favour of the claim that it would be useful to find new themes and conduct a meaningful discussion on them. It is apparent in the minimum consensus on the substantial tasks in the fields of the economy and European integration, in civic passivity, weak progress in improving the quality of government and in the stacking of one ministerial strategy on top of another, only to be subsequently filed away.

The democratically transformed countries of Central and Eastern Europe are not alone in suffering this sense of disorientation. Following the change in the **geopolitical order**, the rise of new regions and the aftermath of the financial and economic crisis, not even the previously dominant West holds a reliable compass. Global reality has profoundly changed during a short segment of our lives. In order to understand what is actually happening today and what mankind can do, it is no longer enough to merely focus on the standard clashes between the left and the right, in the same way that it is impossible to chart a course using a medieval map. In fact, not even a regular compass from the turn of the millennium is useful in finding one's way in today's world, where shares are traded in milliseconds and the economic power of corporations falls outside the jurisdiction of traditional countries. After the era of imitation, a period of innovation has arrived, raising the stakes for our involvement in the search for new ways.



V. A manual for the next helmsmen

There's no one left to catch up to. And so even the Czech Republic finds itself in the role of a helmsman standing at the bow of a ship sailing through a dense fog – the same fog through which all the other captains are navigating. No guaranteed map to the destination, or at least to the next landmark, exists. If we are even slightly concerned about those who will come after us, we have a moral obligation to guide the boat further through the fog. But how can we go forward without the map and narratives that got us this far?

The reflections and discussions from the *In Search of the Czech Future* project have identified two related steps providing a relatively high guarantee that we will not quickly founder in the treacherous waters of the future. The first is the ability to adopt a more advanced method for discussing meaningful actions from those with more experience. A discussion of this type is not self-evident; it is something that requires great effort from everyone, i.e. 'travellers' endowed with the right to vote.

However, in today's complicated world it is necessary to make a strategic decision which, compared to the past, is substantially more complex with respect to the information and experience that must be taken into consideration. Holding a discussion on deck on the course of travel in which the votes of a stowaway, the navigator, cook and captain all have the same weight is no trivial matter. And yet, a look at a boat with a more successful course shows that it is in fact possible. And if something is possible, it can be learned. Therefore, learning to conduct and continually renew a discussion on our common direction in which all citizens are systematically involved and which leads to a practical outcome with maximum consensus is a priority task for the ship named the Czech Republic.

A second critical task facing the crew of the ship is adapting to the changing sailing conditions or even redrawing the map where necessary. It would be naive to think that one could hold out forever under the current conditions with the skills one already possesses. The ability to adapt to life in an uncertain world is the opposite of the qualities society valued when it seemed that economic growth was unshakeable.

And so, while periods of crisis will continue to alternate with times of prosperity, even if we are unable to properly explain these fluctuations, one thing is clear: putting all our eggs in one basket is not a prudent strategy for survival. Societies that are able to identify what is of permanent value and hence what they wish to preserve at all costs and, on the other hand, are aware

of what can be changed, modified and adapted, thus strengthening internal stability and resilience, have a greater chance of preserving their way of life and its quality in the periods of cyclical crisis.

Adaptation, especially in today's fast world, depends on a special faculty – the ability to change. The capacity to open up to new things, to transform, to react and adapt is essentially a cultural phenomenon. It is also a skill that demands a better understanding of ourselves as a whole. Therefore, if we as a society wish to succeed under the conditions of intensive globalisation, it is imperative for us to develop a culture that is responsive to changes of various types, including the innovation of our society itself. In addition to political innovation, this also means changes in civic life, state administration, culture, education, energy sources and lifestyle, i.e. not only in information and manufacturing technologies, where homo ludens the consumer prefers to focus his attention.

But how can this resurgence be achieved and where can the ability and motivation to learn something new as a society be found? The experience of countries that have already undergone this process can serve as a guideline. Consider two inspirational examples from areas we have been dealing with for years: the lagging quality of the education system and the ability of a small country to compete economically under global conditions. The path taken by Finland is generally regarded as an example of purposeful and successful reforms in education. Compared to the Czech Republic, Denmark is a country with half the population and extremely different natural conditions. Nevertheless, the way Denmark reacted to the pressure of economic globalisation with the aim of achieving sustainable prosperity and energy self-sufficiency can be an inspiration to our country.

Finland: Education for the third millennium

Finland has long been at the top of the world rankings in the quality of education, a standing the country achieved with a well-planned concept that has been applied for decades. In the 1970s, education in Finland was in a situation similar to what is found today in the Czech Republic. At the time, political leaders set a goal to solve the crisis and to base prosperity and cohesion on innovation, especially high-quality education. The Finns decided to end the traditional system based on grades, performance, standardisation and testing. Working with the recognition that the highly effective education systems found among OECD countries are those that combine the principles of equality and quality, they based their model on cooperation, fairness, social capital and the professionalism of teachers. The Finnish reformers supplemented this comparative research knowledge with a good analysis of the special characteristics of the domestic environment and adapted this experience to their own country.

A decisive role in this targeted, demanding and long-term reform, one that can rightfully be labelled a revolution, was played by the state. The quality of education was built on teachers, as they had been identified as the greatest weakness in the previous system. Firm rules, centralised curricula and approved textbooks were established for teacher education. The personal responsibility of teachers for the procedures used in education was an important factor. Teacher preparation was concentrated at a small number of selected universities with a guarantee of quality. The acceptance of students in teaching programs became far more selective, a process that was quite controversial; nevertheless, all of the local authorities continued on the established course until the final phase of this transformation, when the rules and supervision were again loosened. The Finnish system provides strong support for a cooperative environment in schools – both among students and teachers. Everything a teacher is required to know today is difficult for individuals to manage on their own. For this reason, instead of individual skills, in Finland they speak of shared and institutional competencies.

The basic principle is equality and fairness. A school is good in Finland when it functions for each child without exception, which is one reason there is not a great deal of support for private education. Testing and supervision is used only sporadically and in precisely defined cases, and responsibility for quality rests primarily on the schools and teachers themselves. Students take standardised national exams only after secondary school. Instead of inspecting schools (inspections were cancelled), the state aims to provide the best support to help them achieve their education goals. The best school in Finland is the one closest to your home; differences between individual schools are in fact the smallest among all OECD countries. Despite the fact that the country has only an average or even below-average education budget compared to other OECD countries, Finland consistently ranks among the top countries in PISA reports. Moreover, Finland has the shortest school attendance in the same group of countries.

Playing a key role in the success of the reforms was the fact that education policy did not change after each election. Finns explicitly set long-term goals, pursue their fulfilment, seek out consensus on them among all political parties and make changes based on research information, not ideology. All children are educated together in the same classrooms regardless of their cultural origin, social background or disadvantages. Children in need of support receive it directly in their classroom. Methods are adjusted to children, not to the teachers or schools. The development of support methods is based on the latest scientific findings, which are systematically verified and innovated; the state invests heavily in these activities.

Based on the study by Ondřej Liška

Denmark: A 'small' country versus globalisation

In 2006, the Danish government approved a document entitled 'Globalisation Strategy', i.e. a national strategy and ambitious vision for dealing with the process of globalisation, including how to be economically competitive while also strengthening the country's self-sufficiency, resilience and social cohesion.⁴

The strategy was the result of a process that lasted over a year. A government-appointed committee of ministers put together the broad Council for Globalisation, the members of which were representatives of trade unions, industrial associations and education and research institutions. Non-profit organisations and civic initiatives also played a special role. The council served as an advisory body for the committee of ministers. The format was based on the Danish political tradition of cooperation and dialogue between various parts of society. Final responsibility lay with the government, which invited all of the parliamentary parties to the discussions. The Council for Globalisation outlined four areas in which Denmark should become a world leader: as a knowledge and entrepreneurial society, in the area of education and with respect to economic competitiveness. The strategy contains

350 specific initiatives, from essential reforms in the Danish education system on all levels up to the research and fundamental improvements in general conditions for growth and innovation throughout society, the revitalisation of which is the main goal.

As a result of efforts to increase economic competitiveness and security, Denmark decided to radically innovate its energy situation. In 2012, the government launched a plan to transition to the 100% use of environmentally-friendly energy sources. It commissioned five analyses focussed on the electrical grid, heating, bioenergy, biomass and the gas distribution system with the aim of finding the most economically and environmentally advantageous and effective solution. Two years later, the Danish Energy Agency released a scenario and set of analyses confirming that by 2050 Denmark will manage to be completely independent of coal and oil and to convert exclusively to renewable sources of energy. The plan is remarkable primarily for its comprehensive approach, practically showing that three European goals to (1) reduce emissions, (2) increase the share of renewable energy sources, and (3) reduce consumption can be followed simultaneously. The trend toward energy efficiency is also evident in economic statistics: in 2012, 30.7% less energy was consumed per unit of GDP than in 1990.

Based on the study by Ondřej Liška

⁴ Zdroj: http://www.stm.dk/_p_13631.html.



VI. Filing away the future

If we become convinced that a **pair of objectives** – to conduct a cultivated, democratic and structured debate on the future and to adapt to a changing environment – are a meaningful goal for us, we are logically led to the question of what form such efforts should take.

The *In Search of the Czech Future* project aims to help answer this question. The point of such deliberations was not to compile directions for an enlightened dictator but to establish a framework for thoughts and arguments for the direction the country should take. At the same time, the basic starting point is the conviction that leading a discussion of this kind should make sense and continue permanently and that it shouldn't be conducted from the top down. Instead, it should **create conditions** for engaging the public, for establishing space for public discussion and for building quality institutions and rules, as this is the only way to realise the long-term policies necessary in such a complex global order. Precisely this is the Achilles' heel of our democracies – the trap the entire Western world has fallen into. Zygmunt Bauman calls this discrepancy inherent in today's democracies the rift between power (the capacity to make things happen) and politics (the ability to decide what should be done under what conditions).⁵

There have been numerous attempts in the Czech Republic over the past two decades to take strategic control, i.e. institutionally based, conceptual rule focussed on long-term goals and based on consistent and systematic cooperation between politicians, officials, experts and even the interested general public. Project participants from various branches essentially agreed that all of the attempts were unsuccessful in the end.

The majority of past governments created bodies to deal with strategic trends and search for ways the Czech Republic should respond to them over a longer period of time. In some cases this role was carried out by groups of advisors around the prime minister, and government boards with a solid formal base and a budget for their activities were often established for this purpose. As governments fell and were formed, the mission and focus of these boards often changed. Interesting activities were the Council for Social and Economic Strategy at the beginning of Miloš Zeman's 1998–2002 government and the Bezděk Commission composed of members from across the political spectrum, which prepared the foundations of pension reform at

⁵ See Zygmunt Bauman: Europe Is Trapped Between Power and Politics. Social Europe Journal, 14/5/2013. Source: <http://www.social-europe.eu/2013/05/europe-is-trapped-between-power-and-politics>.

the beginning of the millennium. A characteristic trait of all of these activities was their **weak continuity**, intellectual and personnel, and **government reluctance** to implement the measures.

A typical example was the *Government Council for the Development of Human Resources* led by Martin Jahn, an experienced manager and, beginning in 2004, the deputy prime minister for economic policy. A number of noted experts sat on this non-partisan council composed of prominent figures, including the heads of leading firms, university officials, labour market specialists, sociologists and economists. In 2005, the government prepared an action plan to implement the council's *Strategy for the Development of Human Resources*. Two years later, Martin Jahn recalled:

'Upon its approval, it was apparent that the while the Strategy was filled with lofty goals, the individual offices responsible for their implementation were lacking either the necessary **finances or personnel**.⁶ The Government Council for the Development of Human Resources was dissolved after the next elections.

In 2009, Prime Minister Mirek Topolánek introduced NERV, the *Government's National Economic Council*, the main task of which was to search for possibilities for economic growth, analyse the risks of the economic crisis and propose measures for their mitigation. The prime minister appointed academics and analysts from the private sector as members of this council. Although the mission of NERV was narrowly economic at the beginning, its members later created **materials with a broader reach** into education and social policy. After nine months of work, the group released its final report on the state of the economy and its recommendations for the future. Only a small number of these made it onto the government agenda, and fewer still were ever implemented. The council was renewed with different members by Prime Minister Petr Nečas in 2010. Following the fall of the Nečas government, the activities of NERV were suspended by the caretaker government of Jiří Rusnok. Prime Minister Bohuslav Sobotka incorporated the agenda of NERV into the Government Council for Sustainable Development (RVUR), a coordination and advisory body in existence since 2004. The conclusions of this council have not had a tangible impact on government decisions thus far. Only the future will tell if the current move of RVUR from the Ministry of the Environment to the Office of the Government will change this situation.

The lone attempt at **implementing** a long-term plan was the *Strategy for International Competitiveness* approved by the Czech government in 2011.

⁶ Source: http://ihned.cz/c3-20296280-000000_d-20296280-000000_d-20296280-mame-kvalitni-lidi-ale-prace-s-nimi-se-stale-podcenuje.

The strategy was built on three 'I's': effective institutions, quality infrastructure and an economy driven by innovation. If the Czech Republic carries out forty prepared projects, the country will achieve these goals by 2020. This plan was prepared by the Ministry of Industry and Trade under the leadership of deputy Martin Tlapa. The aim of the strategy was to move the Czech Republic into the elite group of the twenty most competitive countries in the world in just under ten years. The *Strategy for International Competitiveness for the Years 2012-2020* was described by then minister Kocourek as the most sophisticated document of its kind to have been created in the country. The strategy was elaborated by leading experts from the business world and specialists from the academic sphere, a wide range of ministries and other key government offices; input also came from industrial associations, chambers of commerce and labour unions. In 2012, after Martin Kuba took over at the Ministry of Industry and Trade, additional work on the implementation of the strategy was suspended due to different ideas on how to 'ensure the ministry's key priorities'. The strategy can no longer be found on the ministry's website.

Democratic energy: is Energiewende (the German energy transition) an inspiration?

Germany has decided to transform the energy metabolism of its economy over the next few decades. Although the German model cannot be universally applied, can it somehow serve as an inspiration for the Czech Republic?

Germany would like to cover up to half of its electricity needs with renewable sources within twenty years. What's more, Fraunhofer Institut IWES calculated that by approximately this same time it could be possible to end for good the country's dependency on Russian natural gas (a fuel Germans use primarily for heating purposes). This goal can be reached by renovating existing houses to be more energy efficient, building passive homes and systematically installing heat pumps, and by heating households with biomass and biogas. A clever trick will also be utilised: surplus electricity will be used when the wind is strong or the sun is shining to heat water.

The technological boom is creating a new export opportunity for the German industrial economy. At the same time, legislation not only envisions a growing number of wind, solar and biomass power plants but also foresees the necessary transformation of the delivery system to facilitate the supply of green energy to consumers. Statistics show that the German electrical grid is already one of the most stable in Europe. The average amount of time customers are without power continues to drop in Germany and is one of the lowest in the world.

And mainly: Germany has completely redrawn the ownership structure of energy away from multinational corporations to a wide range of local operators. Nearly half of all renewable energy generation units already belong to families, farmers and municipalities, while the majority of the rest are operated by small businesses.

Hamburg has decided once again to buy and operate its own electrical, natural gas and heat distribution systems, and 170 additional cities and towns are gradually following suit. And some locations are even going beyond self-sufficiency. The Rhein-Hunsrück district

in Rhineland-Palatinate, with a population of over 100,000, produces twice its electricity needs from renewable sources, ensuring that money for energy stays in the local economy. The district exports the surplus to the rest of the country and has enough clean energy for newly emerging electric cars.

And while fixed feed-in tariffs have helped launch new technologies, German legislation does not view them as immutable dogma. The state support apparatus changes when production costs drop. For example, support for solar power plants decreased in 2008. Moreover, investors have shifted their focus toward installations on factory roofs and houses, brownfield sites and sound barriers.

Since the end of last year, solar energy in Germany has been cheaper than the retail price of electricity. In 2015, the fee for renewable energy in the price of electricity will be lowered for the first time (though for the meantime essentially symbolically).

Based on the study by Martin Sedlák

The Czech Republic has more than one-hundred strategic government documents, and there is no **uniform method** for gaining access to them. The database containing these documents is managed by the Ministry of Regional Development, the standing of which is quite weak in the Czech government. Budgetary authority, including the methodology for the preparation of public strategies, falls under the Ministry of Finance, while the Ministry of the Interior is in charge of the public sector.

At the **academic level**, strategic thinking on the future has been developed most extensively by the *Centre for Social and Economic Strategy* (CESES). Headed by Professor Martin Potůček, the institute was created in 2000 in the Faculty of Social Studies at Charles University. The considerable number of publications, conferences and offers of education cover the issues of strategic governance, from methodology to comprehensive sector studies and in-depth syntheses.

Thematic analyses and discussions within the project identified at least three apparent reasons government or academic strategic concepts are filed away or relegated to libraries. The first is the prevailing reluctance and evident inability of the Czech ruling elite to deal **practically and continually** with issues whose tangible improvement extends beyond a single term in

office. This disinclination is also manifested in separate matters such as the preparation of laws by the ministries after they are tasked with the creation of legislation. Laws are often drafted without comparative analyses with other European countries and without efforts to seek inspiration from the best solutions proven elsewhere.

A second reason is that resolving many issues of a strategic nature is in direct conflict with the current policies of leading **special interest groups** active in the given area, e.g. energy and agriculture. Making a decision that places the government in direct opposition to a prominent special interest group (often known for currying favour) is therefore unlikely. A related question, one addressed by analyses conducted in this project, is whether it is possible to establish conditions for decision-making that would limit this harmful dependency.

The third evident reason is the fact that the majority of the strategic concepts are written very quickly by the government and offices based on a current commission by those in power; moreover, they are drawn up exclusively, **without significant public involvement**. A positive exception in this regard was, for example, the *Strategy for International Competitiveness*, which was open to a certain degree to public consultations with trade unions, employers and independent think tanks – a process that was undoubtedly reflected in the quality of the document. The shortcomings of the strategy are described well by two points presented above – the absence of a long-term perspective and a close link to special interest groups.

A state that learns to make big decisions: the example of highway construction

The efficiency of preparations for new transport infrastructure in the Czech Republic is still very low. The problem can be divided into four parts. The price of road works can be lowered by revising technical standards, introducing expertise in the technical design and motivating designers to keep costs low. The other three areas are more complicated: financing, planning and approval.

Financing

Transport is one of the services financed to a great extent by taxes, fees and charges. The 'user pays' principle is realised in the country by means of taxes on mineral oils, highway taxes, tolls and railway charges. However, tolls do not cover the entire highway network, and the amounts paid by heavy vehicles do not match actual maintenance costs. The balance of public budgets for transport in 2008 was 52%.

The shortage of national funds is so great that there is only enough money to cover the mandatory co-financing of projects paid from EU sources, meaning there is nothing left for projects that cannot be paid from European funds but which are equally important for removing the gaps in the transport network, e.g. bypass roads.

Planning

The lack of money is further compounded by confused priorities. Although the state essentially claims that it wants to strengthen non-road transport, this goal is not consistent with current practice. The approach taken in the planning of transport infrastructure continues the development of the existing road network and prioritises the unilateral demands of this network for greater capacity and speed. Yet, if rail transport, urban cycling and pedestrian travel is to be strengthened, the capacity and speed of their infrastructure must also be modified. And if state objectives are aimed at improving non-road transport, it is necessary to generously invest in it on a priority basis while allocating funds to fix urgent problems in the road network such as sites with frequent delays and congestion.

Due to the lack of funds for construction, it is necessary to persuade regional politicians and the construction lobby to be disciplined in setting priorities – to respect objective priorities on a nationwide scale instead of pushing for their own parochial interests, thanks to which several motorway and highway sections are now being planned and built despite being oversized or even completely unnecessary. At the same time, dozens of communities suffer heavy traffic, and railways in the majority of directions are unable to compete (with respect to time and sometimes even capacity) with roads and to take over some of the riders. The state should therefore objectively and professionally establish priorities and respect them.

The inability or unwillingness of the government to retreat from historic solutions for planned routes is one of the greatest obstacles in preparing infrastructure. A change in the approach by the Ministry of Transport from 'ignorantly-directive' to 'accommodatingly-participatory' would be a positive breakthrough, even on the level of regional planning. The new approach will be successful if it accepts the real territory with its inhabitants and various legally protected areas, the legal environment and similar concerns. A task of this sort requires not only engineers but also a team with mediators, geographers, noise, air and land modification specialists, designers and other professionals. Adequate time must be set aside for public discussion (talks of this nature take three years in France).

Approval

The preparation of new construction projects, especially large works, drag on endlessly for myriad reasons. Authorities and politicians in the transport sector and related fields consistently fail to realise that there are people in the areas of planned road works who care about the local living conditions and the surrounding environment; the rights of these people are protected by a law the state must respect. There is a prescribed procedure for handling comments from citizens in these matters. In some cases, administration officials do not properly discuss plans with the public and issue illegal administrative acts; from the perspective of the outcome, it is irrelevant whether incompetency or orders from politicians are to blame. The solution requires broad acceptance of democratic legislation and procedures; personnel in positions influencing these qualities must be replaced, and the qualifications and competencies of politicians and officials must be increased.

Based on the study by Martin Robeš

Hence, the Czech Republic does not lack a strategy but rather the basic ability to democratically formulate any reform, promote it and bring it to a meaningful end. The main problem, therefore, is political stability and the ability of public administration to implement long-term policies. The measurability and transparent evaluation of these steps before others are taken is a necessary condition for re-establishing trust between politicians, officials, businessmen and taxpayers.

VII. A fly in the ointment of development

Political instability and corruption aren't any worse in the Czech Republic than in, say, the Balkans or at the southern edge of Europe. The difference is that the Czech economy is firmly integrated into the economic **core** of European countries, while the state and public sector remain at its **periphery**. However, a thematic analysis and the subsequent discussion in the project came to an optimistic conclusion. If these problems can be effectively addressed, there is a high likelihood that our country will move back toward the middle. The better we are able to create internal stability within a democratic framework, the better we will be able to face external instability – precipitous changes and the growing complexity of the surrounding world.

The Czech Republic has no direct economic tool to significantly stimulate the country's long-term growth. It must therefore concentrate on strengthening traditionally **indirect growth factors**, i.e. quality public goods of all types. But first and foremost, public goods require an effective state, the absence of which is an obstacle to further Czech development. The way out of this situation runs mainly through expedient reforms which first streamline state administration and then make political competition transparent. A remarkable fact is that the best attempt to remove the main barriers to a more efficient state wasn't produced in recent years by political parties but by civic initiatives in the form of 'Reconstruction of the State'.⁷

⁷ The set of nine demands in the platform of the Czech anticorruption organisations include improving the transparency of the financing of political parties, requiring politicians to report their net worth, the release of contracts on the Internet, the cancellation of anonymous ownership, making the role of state in state enterprises more transparent, depoliticising state administration, the independent investigation of corruption, improving the legislative process and expanding the authority of the Supreme Audit Office. See www.rekonstrukcestatu.cz.

A change in the education paradigm

Although the first changes in Czech education after 1989 had an enormous effect, some of the quickly implemented measures were inconsistent with trends in developing countries (e.g. shortening compulsory education, the introduction of the selective principle at the age of the 11, centralist curriculum reform, the transition of apprenticeship education financing from businesses to the state, etc.). If Czech education is to meet the demanding needs of the present and future, it will have to solve three types of problems: (1) unresolved problems from the pre-1989 period; (2) problems arising in the course of transformation beginning in 1990; (3) problems arising from anticipated future demands. And yet, none of these areas are receiving the attention they deserve.

We still are not able to come to reasonable agreement on the direction the education system should take – a situation that is not limited to education alone. It's as if we keep starting from scratch, though it's not as though our problems haven't already been solved somewhere else. Dozens of education concepts and strategies have been prepared in the country over the past twenty-five years. We are lacking an awareness that the results depend heavily on good cooperation. We have little faith in joint efforts; non-revolutionary, constant and patient cooperation on a long-term project of any type is difficult for us.

In a democratic society, children should learn to think and decide independently, to lead and be led, to tolerate differences in opinion, to **cooperate** with others on joint works and respect the rights of others. **School is not preparation for life – it is life**; a healthy person spends up to a quarter of their life in school. It is common in democratic countries for multiple actors to be involved in elaborating the content of education.

General compulsory education gradually developed in Europe starting in the 16th century. School progressively replaced work in the field and in factories, becoming the primary occupation of children. Learning is essentially still defined as children's work, and the power of authority is used to force children to perform this work. Some educators use the term 'play' today so that children will enjoy learning, despite the fact that in terms of education games are regarded as inferior.

In the context of human history, schools are a relatively young institution, especially compared to the hundreds of thousands of years in which children also learned, though without classrooms, inspectors, curricula, teachers and grade books. Isn't it time to think seriously about this 'industrial aberration' in the history of human education?

'Any teacher that can be replaced by a machine should be!' (Arthur C. Clarke) Schools should focus on functions that a computer cannot. **Above all, this means personal and social development. Changing external motivation to internal motivation and taking full advantage of constantly developing technology can be regarded as the foundation of the educational transformation.** An inexhaustible amount of various education recommendations exist. Based on hindsight (17 education ministers over the past 25 years), it is impossible to expect a reasonable top-down change in our education system in the foreseeable future. Therefore, it is necessary to bet on a bottom-up approach.

A child entering the education system today has a reasonable chance of living into the next century. We will face serious global risks in the coming years. How will education respond to the impending decline of civilisation? Similar to the Kübler-Ross model, there are four basic possible approaches to the future: denial, anger, acceptance or active preparation for the future. The purpose of the teaching profession is to prepare children for their future life. The aim is to make them resilient (i.e. flexible, tenacious and persistent) to all external and internal threats. Regardless of what kind of future awaits mankind, the immeasurable importance of education, which demonstrably contributes to quality of life in many different ways, will continue or even increase.

Based on the study by Jaroslav Kalous

As experts from various fields of the project agreed, an economic model aimed at long-term growth and employment requires quality **public goods**. A quality business environment, an educated work force and reliable infrastructure are provided in all successful economies with cooperation between the private and public sector, since even though the state cannot manage everything on its own, its role is impossible to replace completely. It is therefore essential for the state to be a stable and effective partner to employers in negotiating the necessary reforms. However, between the years 2004 and 2014, the Czech Republic changed governments and large numbers of key officials too often to allow them to become long-term partners in the search for reform compromises. In the end, the economy loses the competitive advantages necessary for growth and employment.

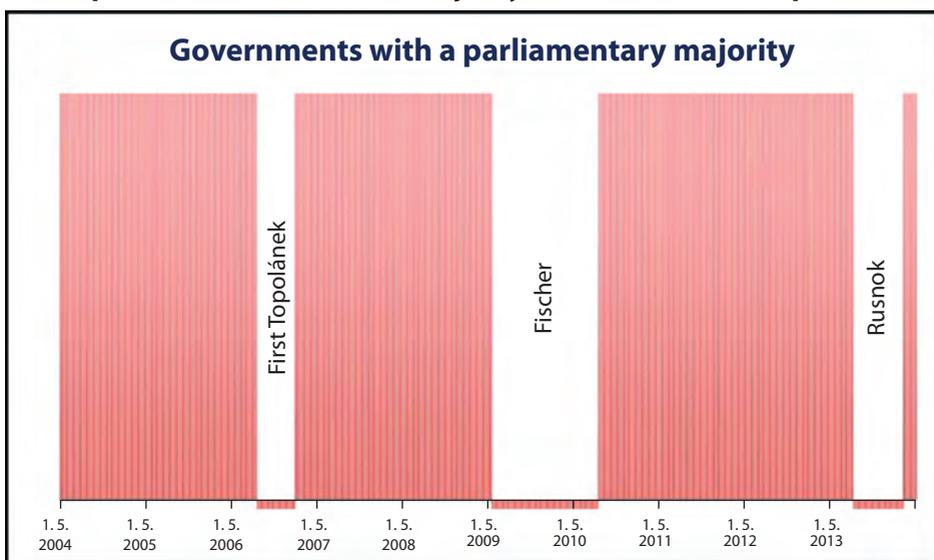
A model for growth and employment that relies exclusively on **inherited competitive advantages** such as a quality workforce at post-communist wages and the country's geographical proximity to the heart of the European economy has been exhausted. Future growth and employment will require the **creation of competitive advantages**, i.e. cooperation between the state and private sector in the creation of public goods such as education, business environment and infrastructure of all types. Today, however, the private sector does not have a partner, which is the greatest restraint to the development of new competitive advantages.

These new competitive advantages require thoughtful and coordinated reforms in virtually all the sectors that create key public goods. **Systematic reforms** demand the existence of a stable government which (1) has the necessary majority in the Chamber of Deputies, and (2) is willing to reach a basic compromise with the opposition to continue the main course of reforms even after a change of government.

The Czech government has not demonstrated the requisite stability. Over the first ten years of Czech membership in the EU, there were 114 weeks (22%) in which the Czech government lacked at least a theoretical majority in the Chamber of Deputies (Graph 1). For more than two of these ten years, the country did not have a legitimate majority government that could prepare and promote reforms.

However, in practical terms, the weeks of coalition crises when it was unclear whether the government held a majority should also be included, as should campaign periods, as these are times when coalition cooperation also does not function. The fact that the government unexpectedly fell during the country's term in the EU presidency only underscores the general level of instability, as does the fact that none of the coalition governments managed to retain their initial majority. Moreover, all of the ruling and opposition parties failed in their mutual communication, a situation that was evident in the health care, pension and income tax reforms, which did not last even four years without fundamental structural changes, a period corresponding to the expected election term.

Graph 1: Governments with a majority in the Chamber of Deputies⁸



Political instability leads to frequent changes in the prime minister and the heads of key offices (Table 1). The average **length in office** of prime ministers beginning in 2006 was a mere 77 weeks, the same as for ministers of finance and foreign affairs. Ministers of education were in office for only 47 weeks on average, ministers of regional development, the post responsible for

⁸ Source: Zdeněk Kudrna.

drawing on EU funds, just 55 weeks. A mandate lasting a year or a year and a half is inadequate for introducing and passing more comprehensive reform, since one legislative cycle usually lasts around two years. Even if a minister managed to reach a compromise agreement in a coalition and, in general terms, with the opposition, legislative approval remains unlikely. No Czech minister had a chance to oversee the implementation of reforms they had pushed through the legislative phase, since not even their longest period in office under the Nečas government exceeded three years.⁹

Table 1: Length of mandates of the prime minister and key ministers beginning with the 2006 elections⁹

	Average	Shortest	Longest
Prime minister	71	18	156
Finance minister	77	18	156
Foreign minister	77	18	156
Education minister	47	5	90
Minister of regional development	55	15	156

Political instability in the Czech Republic has a greater impact on public administration than in the majority of other EU countries, since there was no civil service law until recently. Frequent changes in government, coalitions and ministers are not unique to the Czech political scene; they also occur to a similar extent in several other EU countries. The problem in this country is the extent to which the frequent changes at the government level lead to changes in key state administration posts. At the Ministry of Foreign Affairs, which has a systematic career structure, around 20% of employees have changed in the past three years and approximately 60% of employees have worked there for over ten years. At the other ministries, which do not have a similar career structure (which replaces the Civil Service Act to a certain degree), the **fluctuation** is even higher. According to available sources, there has been employee turnover of around 40% at the Ministry of Finance and the Ministry of Regional Development during the same period, and only 42% of employees at the Ministry of Finance and 28% of employees at the Ministry of Regional Development have more than ten years of experience.

⁹ One possible exception is Finance Minister Miroslav Kalousek, who continued his mandate from the second Topolánek government in the Nečas government after a one-year break.

In other words, the personnel stability of the ministries, where neither a career structure nor a missing civil service act guarantees a reasonable degree of independence and autonomy, is very low. The same problem also affects all other state organisations. According to statistics from the country's leading business daily, *Hospodářské noviny*, approximately 200 key positions at the ministries and other state enterprises and organisations change with each new government.¹⁰ As a result, talks between the state and partners on reforms aimed at boosting economic growth and employment practically **begin anew**, which is undoubtedly a contributing cause to economic stagnation.

The instability of the political scene and public administration also impacts the quality of draft legislation. Established in 2011, the Commission for Evaluating Regulatory Impact Assessments reviews the quality of the impact analyses of draft legislation on the business environment (the commission reviews so-called Regulatory Impact Assessments – RIA – based on OECD methods). In the first two years, the commission returned 70-90% of RIA reports to be reworked, since submitters from the various ministries often failed to precisely define the problem the proposed regulation was to address, did not justify the need and effectiveness of the new regulation and did not systematically compare alternatives. The submitters often justify new laws as a simple **political assignment**, not as an **attempt to resolve an actual problem**, typically reflecting the resignation of officials who, even during a relatively short career, experienced several changes in ministers and deputies and the attendant changes in political priorities, which are quickly and repeatedly projected into proposals. Hence, in the unstable environment of Czech public administration, it is impossible to create systematic and coherent reform proposals reflecting the political priorities of the ruling coalition while also providing a meaningful solution.

¹⁰ Source: <http://zpravy.ihned.cz/politika/c1-61845840-mapa-moci-stridani-vlad-uz-smetlo-pres-dve-stovky-uredniku-a-statnich-manazeru>.

A state that manages its enterprises

The annual report of the Security Information Service: 'Certain tenders in the energy field were merely a formality, as their winner had already been decided before the tender was announced; ČEZ in particular took advantage of a loophole allowing the company to circumvent the Public Procurement Act.'

The Czech state wasn't very skilled at managing its own enterprises, and the energy monopoly was long the perfect example. The Prunéřov power plant is a telling case. The brown coal power plant built by ČEZ is the most expensive in OECD countries. There was therefore enormous pressure on the state to approve the use of older technology that requires far more coal than modern plants. The International Energy Agency calculated that Czech projects are 52% more expensive than the competition, i.e. tens of billions of Czech crown.

For years, ČEZ also pursued its goals without regard for the interests of society, and the government had only formal control over the company. Reconstruction of the State, an anti-corruption initiative, therefore would like to strengthen the authority of the Supreme Audit Office to inspect state-owned enterprises. Above all, the SAO suggests changing to a 'state ownership policy' – transparent and auditable state administration which, in the words of the lawyers from the legal watchdog Frank Bold, 'makes it possible to avoid the passive or, conversely, "politicised" exercise of ownership rights in state-owned enterprises'.

The Norwegian model can be a source of inspiration; the state establishes specific goals for its ownership and the expectations it has of the company. State firms are also divided into several categories: those that have a commercial purpose, others that fulfil some type of public interest, and a combination of the two. A special category is made up of commercial enterprises that are meant to generate income in a standard manner, and the state is only interested in one thing: that they keep their headquarters in Norway.

The Norwegian government also has firm rules for the remuneration of management and supervisory board. Among other things, they set the ceiling on bonuses and have cancelled various stock option programs and compensation based on results, since they make no sense in state enterprises. Each business has a defined framework for exercising ownership rights, and the tasks of individual state offices are also precisely defined. The relationships between individual bodies are also explicitly described. It is therefore clear in advance who will decide what and who has a say about certain matters.

Amending the rules for lobbying should go hand in hand with the creation of transparent and auditable company management. The cultivation of an environment and relationships between elected public officials and the representatives of industry and various independent organisations could help break up patronage networks. This will require the willingness of key public representatives to stand up to the current system of close-knit patron-client relationships, mutual protection and favours.

Based on the study by Martin Sedlák

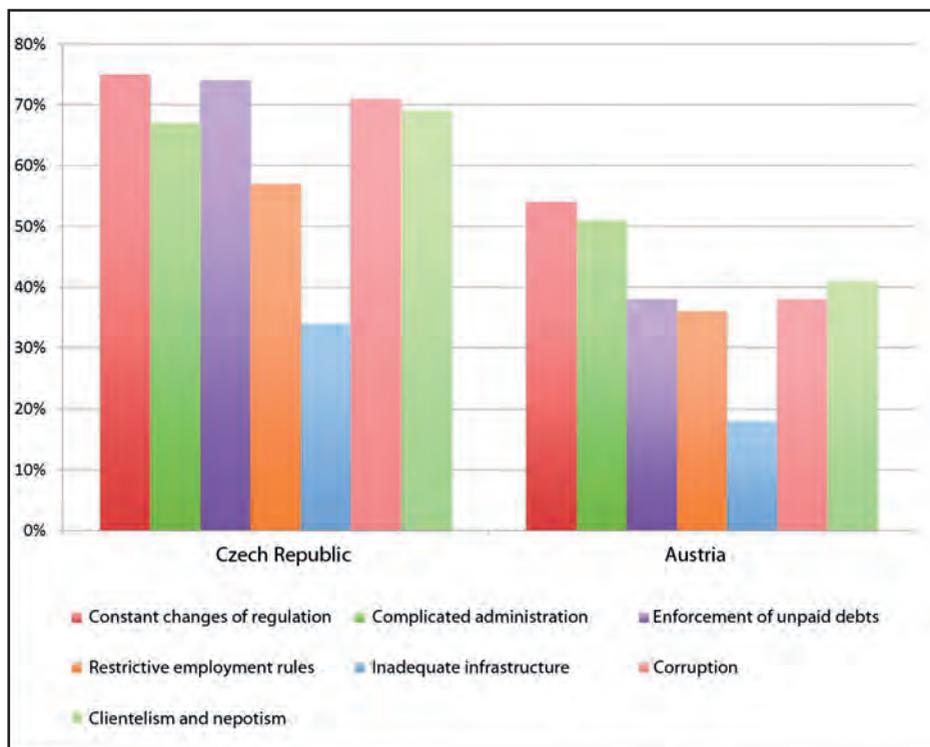
One of the consequences of the poor and unsystematic preparation of new legislation is the creation of pointless competitive disadvantages such as an unstable business environment. The best example of this phenomenon is changes in tax rates, which are sometimes announced hours rather than weeks in advance, despite the fact that such changes require the demanding and expensive adaptation of accounting systems in all companies. The end result is that firms doing business in the Czech Republic are annoyed more by **constant rule changes** than corruption and nepotism, (Graph 2).¹¹

Systematic reforms leading to the development of new competitive advantages demand the long-term **search for political compromises** on necessary changes. Still, these agreements are practically impossible in an environment with unstable political parties, unstable governments and state administration left unprotected from this instability.

Systemic solutions to instability would require reforms in the financing of political parties and perhaps in the voting system, as well as the depoliticisation of the justice system. A major step forward would be the implementation of the **Civil Service Act**, which would give government employees a greater degree of autonomy and continuity, despite persistent political instability. In fact, as early as 2003 the EU made the approval of the law a condition for Czech accession. And while the act was approved just before the Czech joined the EU, the date on which it was to take effect was postponed. Despite formal validity, the act has never begun to serve its purpose; a major amendment wasn't approved until the autumn of 2014, i.e. a full decade later. Still, there is a dispute over whether its current form guarantees the coveted depoliticisation of state administration. Nevertheless, it is only the first step toward negotiating the deeper reforms necessary for the effective provision of public goods and the gradual development of new competitive advantages.

¹¹ Graph 2 also shows that corruption along with the poor enforceability of unpaid debts is the major difference between the business environment in the Czech Republic and in neighbouring Austria.

Graph 2: Difference between the Czech and Austrian business environment ¹²



Note: The share of companies that regard the given aspect as a problem.

New paths for the Czech countryside

Farmland provides nourishment; it is also disappearing. At the current pace, the Czech Republic will lose 100,000 hectares of agricultural land over the next fifteen years. The losses for various construction purposes are particularly dire and irreversible. Moreover, additional valuable soil is carried away by water and wind; nearly two million hectares are threatened by water erosion.

Farmers are attempting to reverse lower yields by using higher amounts of fertiliser. The use of nitrogenous fertilisers in particular has almost reached pre-1990 average levels. Not only do they increase the cost of production, fertilisers also damage the soil; it is no longer true that more fertiliser means correspondingly higher crop yields. At the same

¹² Source: Eurobarometr.

time, the cost of fertiliser continues to rise, since production uses high amounts of energy, and expensive petroleum increases their price. One litre of fuel is used to produce each kilogram of nitrogenous fertiliser. Agriculture policy remains unable to deal with the heavy dependence on external inputs and non-renewable sources of energy.

Declining soil fertility illustrates the approach that characterises Czech agriculture: problems are patched up, solutions are postponed and everyone trusts that we'll somehow keep making things work. Contributing to this approach is the fact that more than 80% of farmers cultivate leased land, typically with five-year contracts that do not adequately motivate tenants to take a more nurturing approach to the soil. A million hectares are drained, but the pipes beneath this land are getting old and the fields are becoming wetlands once again. No one is repairing the drainage pipes due to the high cost of this work.

It is evident that the current model cannot continue. Although agriculture uses more than half of the land in the country, its share in the gross domestic product is only slightly more than two percent; moreover, only three percent of the workforce is employed in this sector. Farmers are abandoning an increasingly large part of the landscape. Although 4.2 million hectares of farmland are on record in the country, only 3.5 million are actually cultivated. But neither the decline of agriculture nor the relatively low use of pesticides is helping to revive the landscape. To the contrary: while certain areas, including rich flowering meadows, are growing, elsewhere intensification is causing the decline of small greenery, weeds and even flowers in meadows, and along with them also butterflies, bees, birds and hares.

Higher performance agro-technology and stronger global competition – mainly in pork and beef, feedstuffs, wine and sugar – will only strengthen existing trends. However, Czech commercial farmers avoid a discussion on whether their methods are sustainable in the long run. Agriculture is often understood exclusively as the production of food, a system that has worked well for years and will continue to function in a nearly constant form. Other challenges are regarded as unnecessary complications or fads.

But agriculture cannot continue in this manner, and it should decide on a conceptual change with certain elements.

Czech agricultural businesses have no choice but to move away from commodities in which they cannot be competitive and focus instead on other competitive advantages – higher quality, added value and healthy and environmentally friendly commodities. Food production conceived as a social network offers a promising opportunity: alternative distribution chains from smaller farmers directly to consumers and building a close relationship between the customer and the producer.

It will be necessary to change the system of plant production with an accent on ecological cultivation methods. The opportunities offered by new technology can also be exploited, including the system of precision farming. Surplus land can also be used for growing technical and energy crops in connection with new technology and the domestic processing industry. Agriculture must also adopt a new context – and a new opportunity – for using the landscape: a lifestyle characterised by a search for untraditional experiences and even a return to nature, i.e. cycling, agro and horseback tourism and outdoor and sightseeing activities in the landscape and the countryside.

Based on the study by Martin Střelec and Jiří Urban



VIII. Headlong into the abyss

As many project participants agreed, one of the prevailing feelings today is a sense of uncertainty and threat despite a period of peace and prosperity in our part of Europe. To a certain extent, the political significance and roots of this feeling can be followed against the background of the most recent elections. Job insecurity, dismal social conditions in many parts of the country and the difficult financial situations of many families are all justified reasons numerous Czech citizens look with fear to the future. Populist politicians adroitly exploit fear. 'The claims of Sudeten Germans' regularly appear as a campaign subject in Czech politics, while new success was enjoyed in 2013 by a subject that based its rhetoric on fomenting open hatred for Roma and foreigners.

The inflamed international situation only exacerbates the threatening feeling induced by social tension. The crises of influential Eurozone countries, the military conflicts at the eastern and southern borders of Europe and even the heightened frequency of extreme fluctuations in the weather as the result of climate change illustrate a context in which any future seems extremely uncertain. Experiencing this uncertainty has ceased being a concern limited purely to the individual level. For some time now, modern medicine and sociology have pondered how the growing dynamism and complexity of the lives of the majority of people is reflected in their ability to cope with stressful stimuli and what impact it has on the health of individuals and social cohesion.

It is becoming apparent that **mental health** in the broad sense is a hidden yet immeasurable tax (externality) of the lifestyle of today's civilisation. Multiple sources of stress of a new type, including extreme demands on performance, the complicated living conditions of low-income groups of the population, the precarisation of work, environmental destruction and the dysfunction of social relationships are among the numerous factors creating historically unprecedented pressure on the integrity of individuals.¹³

A sad reflection of rising tension and pressure on individuals is the sharp rise in the **number of suicides**, which is clearly linked to the declining social situation of a large part of society. This has been the same throughout history;

¹³ The extent of the impact of these factors on our civilisation is the subject of scientific research being conducted today at the boundary of medicine and the social sciences. In his theory on illness and health known as 'salutogenesis', Aaron Antonovsky as early as the mid-twentieth century noted the importance of the ability to cope with the increasing complexity of life if man is to happily experience his own existence and remain healthy. The core of his theory is how specific personal traits help individuals withstand stressful situations in everyday life. With his research, Antonovsky documented that the qualities that help people cope with stress give a person a sense of coherence composed of three elements: comprehensibility of one's life, its manageability and meaningfulness. Antonovsky found the third element to be the most important element.

social and economic crises have always had an impact on the lives of people. According to statistics, the greatest number of people verifiably committed suicide during the Great Depression in the 1930s, with 1934 being the worst year (4,007 deaths by suicide). The number of suicides exceeded two and a half thousand again at the beginning of normalisation in the 1970s. The number of suicides in the country decreased until 2007. Over the following five years they increased again by a disturbing 20%.

In direct connection with work and family life, mental health is becoming an important part of the overall quality of life. As a result, it is also becoming a political subject. However, mental health as a need for internal stability on the individual level can be seen as a certain parallel to the need for internal stability in domestic politics on the national level (see the chapter: A fly in the ointment). It is time to admit that the feeling of uncertainty or even of existential threat, be it in the form of losing one's job, fears over health (your own or the health of a loved one), or fears of impending military conflict, is in fact a legitimate concern, and that finding an answer to this emotional state has become an important domestic policy objective, one that remains quite difficult to address. Society must be made aware that this feeling will be present, perhaps even for good.

Democratic policies to address these issues have historically been **a step behind**, a situation that still hasn't improved. These were preceded by three eternal companions and, simultaneously, bitter rivals: fundamentalists, political technocrats and populists, though the combination of all three elements is the rule rather than the exception.

They are the ones that offer a clear answer to the widespread feeling of uncertainty and threat, and are probably best suited for this critical period. **Fundamentalists** offer evident truths, in the best case a 'return to the roots', to a life that disappeared long ago. They give the hope that it can be revived through ritual imitation.

Technocrats in political functions, on the other hand, appeal to a pragmatic, technical and seemingly value-neutral solution. Everything is hidden in procedure, in the ruling mechanism. It makes no sense to cling to new thoughts and ideals; politics was and always will be dirty work, so let's keep our feet on the ground and not expect miracles. This is music to the ears of the privileged classes and especially special interest groups.

Populists, for that matter, always know who is guilty and that they are never alone. The culprit is always part of a group with common traits that can be used to identify them. Sometimes it's a surname, the shape of their nose, the colour of their skin, their occupation or their situation in life. Jews, Roma, other politicians, bankers and immigrants are to blame for our difficult lives.

The fundamentalist, the limited political technocrat and the populist offer a rare good – ostensible **assurance in a sea of uncertainty**. The first offers a clear framework in which life will make sense regardless of what common sense tells us. The second provides impersonal mechanisms, the third a clear culprit. And yet, the price we pay for this ‘certainty’ is high. We pay fundamentalists with the loss of our freedom. We pay technocrats in political functions with cynicism, alienation and a gradual loss of orientation resulting from a form of rule that isn’t in line with values. Injustice and the loss of human dignity is the price of power held by populists.

For now, the prevailing trend in political practice is technocratic. And yet, these kinds of solutions can work in the long run only if they are simultaneously democratic. Without democratic legitimacy, technocratic politicians lose for at least two reasons. For one, they lack information, since without the support of broad groups in society they can make bad decisions simply because they are not able to identify all of the conceivable impacts on all citizens. Secondly, technocratic politicians decide ‘about us without us’, and lack the legitimacy they cannot obtain anywhere else than from society.

The logical consequence of political decisions, which may in fact be enlightened but are still isolated from civil society, is public opposition, even to correct solutions. Their enforcement is expensive and inherently undemocratic. It is therefore necessary to introduce a democratic voice into technocratic debates. The aim of the *In Search of the Czech Future* project is to enrich public debate not only with new solutions to complex issues but also to show that without the fundamental expansion and the **application of democratic procedures** in Czech politics, it is impossible to break the current impasse.

Decolonisation of the state

The reason governance has not yet been improved in the Czech Republic is not due to a lack of capacity on the side of organised civil society but rather the factual non-existence of opportunities to promote this change in official institutions. Corruption and the lack of transparency are both the cause and the results of the current situation.

Governance in the Czech Republic is characterised by two main features – the colonisation of the state and the political passivity of the majority of citizens. The state is systematically subordinated to the interests of large political parties and civic activism is framed throughout society as a threat, especially in the case of social-economic protest. In

practice this has appeared, for example, in the tendentious efforts of certain commentators in the media to divide protests into 'good' and 'bad'. While a 'good' protest by the 'Prague Café' is typically perceived as legitimate, economic protests were seen as unjustified grumbling by 'union instigators'. A deeper understanding of why the defence of group interests is an important and valuable part of liberal democracy seems to be missing thus far in the mainstream public debate.

Social pluralism, which evidently exists in the country, can only be effective if it articulates politically. This concerns procedures that include citizens and their groups in the democratic functioning of their country. There is therefore a great deal of talk today about participation in the democratic process and its ownership (or adoption) by citizens. Political decision-making is then in the hands of those whose lives are impacted by these very decisions. The Czech Republic today is characterised by the exact opposite, which, at least according to some research, could result in the political radicalisation of part of the population and apathy among the rest.

Liberal democracy

It is therefore necessary to speak about the essence of liberal democracy. The adjective 'liberal' means the existence of impartial rules defining the rights for open competition – i.e. an impartial state based on equal freedom. The noun 'democracy' describes an emancipated society of citizens who, armed with their own interests and justifications, interact with one another.

What exactly do we want? To decolonise the state and enable the civil emancipation of the rest of society; specifically, to eliminate the uncontrolled influence of political parties and the economic special interest groups attached to them, while also opening a forum for broader political discussion.

The question of good governance – and governance in general – was never the subject of a public discussion (unlike the question of civil society, which was seen as a special 'sector' of society with specific needs).

The emancipation of civil society

And yet, the reform of formal state institutions alone is not enough. Civil society must be emancipated, which to a certain degree is happening now, albeit mainly its elite component – see, for example, the Reconstruction of the State initiative. This can only occur when the external conditions of its functioning, i.e. state institutions, are transformed. It would then be possible to consider the introduction of mechanisms of deliberative (civil or consultative) democracy such as participative budgeting, and above all begin to systematically deal with the development of civic education, in which the Czech Republic objectively has enormous limits. Democracy requires the support of informed and educated individuals; active citizenship cannot emerge and develop spontaneously. Institutional reform should therefore be accompanied by the cultivation of civic abilities allowing individuals to take advantage of the created opportunities.

Based on the study by Ondřej Císař

IX. Principals for tomorrow: facing future crises

What then should be the response of a democratic policy that aims to preserve and foster the quality of life, even in a period of uncertainty, shocks and crises? Where lies the potential for the long-term development of the Czech Republic?

The considerations that emerged from the project were based on the fact that the Czech Republic, a medium-large Central European country with limited resources and influence, has relatively few tools for facing the impacts of economic globalisation. The country has a small, open economy, the development of which largely copies the condition of the German economy. Also characteristic is a high dependence on gas and petroleum imports and a strong share of industry in economic performance.

According to the general conclusions of analyses and discussions conducted in the project, if the Czech Republic wishes to secure **a long-term increase in quality of life** for its citizens in the future, it should become **more open** to the involvement of much broader contexts and actors, and more **stable** to protect itself from external and internal risks, i.e.:

- 1) establish a much more consensual, steadfast and consistent forms of governance and encourage a richer culture of civic participation;
- 2) limit its dependency, become substantially more self-sufficient, resilient and flexible in key areas such as energy, mobility and the production of quality food;
- 3) learn to cooperate better with actors at home and abroad.

The set of studies created in the *In Search of the Czech Future* project were organised into three key areas in which Czech society faces serious issues and dilemmas but which also represent guiding principles for its long-term sustainability – paths to a brighter future. Their names intentionally include seemingly opposing values, since we are convinced that Czech sustainability is not possible without the long-term cultivation of the entire spectrum of values.

In addition to analyses of the current condition, individual thematic texts also offer specific solutions that depart from current practice in many ways. The aim here is not a full listing of all the fundamental problems or possible solutions; our intention instead is to provide inspiration for new and more open thinking on these issues.

1. *Trust and consistency.* The current language of public discussion inadequately captures dimensions that extend beyond the common categories of economic indicators. For this reason we work with the broader concept of 'quality of life', which fairly includes all dimensions important for a successful future. During the project, one of the greatest obstacles to the economic development of the Czech Republic and its long-term competitiveness proved to be the lack of political instability, i.e. consistency in governance and trust in public institutions and even trust within society. The low level of governance is distinctly manifested in the weaker performance of the economy. Resolving these key issues is the main task on the road to economic revival, the development of the local economy and the strengthening of its resilience.

2. *Resilience and cooperation.* In the second area we concentrated on four thematic realms (energy, transport, agriculture and the Czech Republic in the EU and in the world) essential for increasing the resilience of the country. However, their development doesn't depend only on greater self-sufficiency; it will also require new forms of cooperation between actors inside the Czech Republic and with partners in the region and the EU. Great attention was devoted to energy. The Czech Republic is a country with a limited supply of fossil resources; it is a country with nuclear power plants and poor legislation that discourages the reasonable use of renewable energy sources and their decentralisation. If the Czech Republic does not wish to be dependent on Russian natural gas and petroleum, if the country does not want to squander the opportunities of new markets with electricity or continue to mine fossil resources in its own territory, there must be an energy transformation encompassing changes in technology, in our energy philosophy and in the policies applied in this field. An energy revolution is already underway in many EU countries. In Germany and Denmark it is clear that an energy revolution means the economic, social and political transformation of the entire society.

3. *Freedom and cohesion.* The third area of the studies investigated subjects concerning the development of a free and cohesive society, one in which a growing level of freedom does not equal decay and social deprivation but rather a higher degree of equality and inclusion. Building a society of this kind will require a change in the education paradigm, increasing the quality of public services, and especially a radically new approach to governance with more opportunities for civic engagement and with new impulses for the growth of civil society.

The path to the revival of Czech democracy runs first through a change in the rules regulating our coexistence – how we govern and how we handle our resources, and, secondly, through a renaissance of citizenship, i.e. by infusing this term with new meaning for the Czech Republic and the European Union. Coming together at this point are our thoughts from the first chapter, which identified the poor reliability of public institutions and low trust in them as the main obstacle to economic prosperity. Here we look at the same subject from a different angle: what role are citizens, political parties and the private sector to play in the renewal of confidence and in the social transformation? Can new alliances be created in this area, and what can be expected of them?

How are we doing on equality between women and men?

Gender equality is a fundamental human right and a key value in a democratic society. Equality between men and women is not only a matter of justice, but also has a crucial importance for the economic prosperity and competitiveness.

The World Economic Forum annually publishes a report on equality between men and women in the world. Between 2006 and 2014 the Czech Republic moved down by more than 40 points on the Global Gender Gap Index. In 2014, it ranked 96th out of the 142 countries surveyed. On the Gender Equality Index published by the European Institute for Gender Equality the Czech Republic achieved the value of 44.4 compared to an EU average of 54. The European Commission report of 2012 pointed at the impact of the economic crisis on gender equality and highlighted serious problems regarding the Czech Republic such as the deteriorating status of women on the labor market or discrimination against women with small children.

There is evidence that greater participation of women in economic activity can promote economic development, improve the performance of societies and their quality of life. According to an analysis by McKinsey & Company women in the Czech business represent an untapped potential. There are very few women in decision-making positions. Only 4% of the board members of the 60 largest companies operating on the Czech market are women. In 51 of these companies there are no women as members of the boards. Such a low percentage is a logical result of their underrepresentation across all levels of management. Even in politics the situation is not much better. In the Chamber of Deputies only 20% of the members are women, i.e. 40 MPs.

Employment of women in the Czech Republic currently stands at only 56%. Our country belongs in this respect among the weakest in the EU, well below the average. In the strongest economies in the world with twice the GDP per capita, the percentage of economically active women stands by at least 10 percentage points higher. The most significant drop can

be seen for women with children compared to the employment of women without children. The average salaries of women belong also to the lowest in Europe compared to those of men. According to the Czech Statistical Office in 2013, the average wage gap between men and women was 24.1%.

Also in further areas of the Czech society we found striking examples of gender inequality. In primary schools women make up over 80% of teachers, whereas in kindergartens it is almost one hundred percent. Representation of Czech women in science stands among the lowest in Europe (26%). Also in families the stereotypical distribution of roles of breadwinner and caregiver prevails.

Even these partial data shows that gender inequality in Czech society is deeply rooted and manifests practically in all areas. End of 2014, the Czech government adopted the Strategy for equality between women and men in the Czech Republic for the period 2014-2020, which analyzes the problem and proposes measures to address it. It focuses at ways of increasing the representation of women in decision-making positions in the public and private sectors, of strengthening the independence of both men and women in the economy and especially of the economic status of women. It also includes goals to improve conditions for the reconciliation of work, private and family life, elimination of all forms of gender-based violence and finding ways to eliminate gender stereotypes and prejudices.

With no doubt, this strategy represents formally an important step. With some exceptions, this issue has still not been considered at the political level as fully relevant, often even ridiculed by political leaders. It remains to be seen, how strong the willingness of public institutions and their representatives will be to actually bring those measures into life.

Also due to the economic crisis the perception of social inequality and the widening gap between its parts has recently intensified. Especially in this situation social inequalities between women and men become even more visible. It is therefore an important opportunity not only to address these questions in a more comprehensive way, but also to raise awareness of the general public, among which the prejudices regarding this topic are firmly rooted. It is an opportunity for non-governmental organizations and academic institutions to change the perception of gender inequality. An important ally in this case could become the entrepreneurial sector as far as it is often more perceptive than the public institutions where formalism often prevails. By no coincidence, too often these institutions are headed by men.

Based on the study by Ondřej Liška

X. The broader process: tasks, values and allies

And so, what should the Czech future look like? The objective of the *In Search of the Czech Future* project was to contribute to the discussion on our common direction. The aim was not only to offer ideas for the concrete measures that must be taken to increase the quality of life but to look at the issues from a new perspective and to ask questions in a new way. The individual analyses conducted as part of the project provide inspiration and concrete suggestions for solutions. Each one must be discussed and compared to an alternative response. In the end, what will help us decide which is the correct path? The answer is obvious: any goal pursued by democratic society must come out of a much **wider process**.

If we are to briefly summarise the basic finding of the *In Search of the Czech Future* project, it is the realisation that if we want to learn to reach consensus on a common vision for the future, we must begin to talk more about procedures than just about the form of specific goals. The helmsman sailing through unknown waters in the fog will never find his way with an old map and an unreliable compass. He must be able to skilfully react and adapt to the prevailing conditions. Besides a reliable map, we also need to find, share and restore common ground on concepts we understand in a similar way and on the thoughts and goals that bind us. We can also manage to find our way in changing times as long as we adopt a more mature **method of debate** and are able to adapt to new conditions.

This **adaptation** demands a willingness to change, search for new possibilities and consciously foster a culture that desires all types of innovation. Our innovation can therefore not be limited solely to technological innovation – social innovation must also be achieved. This means changes in the organisation of our institutions, in the method for resolving inequality in society, in the way we treat our health and use our free time, and how we cultivate relationships in our surrounding area and the broader environment. The changes will impact the political process, which has been sheltered away behind a glass wall out of the reach of citizens.

The Czech Republic and resources in a global context

The problems the Czech Republic faces are more than those that simply end at our borders. We must also deal with the limits and difficulties facing the entire world. An illustrative example, though by no means the only one, is the use of natural resources.

In 1972, the Club of Rome, a global think tank based in Switzerland made up of industrialists, economists and scientists, issued a ground-breaking study entitled *The Limits to Growth*. Authors from the Massachusetts Institute of Technology gathered an extraordinary volume of data and created a developmental model for the global economy and the environment. The model traced the advancement of industrialisation, population growth, production and the consumption of food, the use of resources and environmental pollution. The authors calculated that if civilisation continues on its existing path without change, the economy, environment and human population will collapse around the year 2070.

The central point of the book is the thesis that 'the earth is finite'. The study became the target of heavy criticism as an unjustified apocalyptic vision. Bjørn Lomborg, a popular critic of ecological science, condemned the work in 2002 to the dustbin of history. But in the spring of 2014, the University of Melbourne released an extensive study comparing the scenario from the *Limits to Growth* to current statistics. The report found that the original prognosis was almost entirely accurate, vindicating the findings by scientists four decades earlier. The continuation of current trends will require increasingly greater amounts of resources, the prices of which, without available alternatives, will only continue to rise. The projected consequences for the economy will be fatal. New studies confirm this warning. In fact, even the conservative International Energy Agency warns of a petroleum turning point; likewise, the KPMG consulting firm foresees a major lack of resources by 2030 if we continue with business as usual.

What does this mean? We need to fundamentally reorganise the way we handle our resources, what we produce, consume and how we deal with deepening inequality. A highly technologically advanced civilisation should focus on the principle sometime called the circular economy – an economy based on broad recycling in consumption chains, the complete transition to renewable energy sources, ecological methods of food production and a new type of social structures and economic regulations.

Reaching international consensus on solutions is a slow process. Is there something meaningful that we as individual citizens and Czech society as a whole can do? We have two possibilities. To become more actively engaged in international efforts to reach a consensus. In this light, the European Union emerges as the key tool a small Central European nation can utilise to contribute to the promotion of a higher quality of life on our planet.

But it also makes sense to begin at home. In practical terms this means modernising our economy, energy, mobility, agriculture, education, science and public services – to prepare for an uncertain future by strengthening our adaptability to changing conditions and our resistance to economic and social crises; to create an environment that desires innovation of all types, both technological and social. We will be able to prepare a credible and long-term plan for our future course in any area only if we achieve a more transparent and democratic and less myopic method of governance.

From the study by Ondřej Liška

Innovation in the area of civic participation is a fundamental part of the transformation of society with the main aim of improving the **quality of life**. This society invests heavily in science, education, civic engagement and culture, which is no longer perceived only as a free-time activity and is becoming a level to be reached by key transformations and a method for fostering innovation. The importance of these innovations is not measured only by the market value of patents but also by the wider impact of innovation on the satisfaction of citizens, the prosperity of society and the planet as well as mental health. Hence, the quality of life isn't their only goal but also a means to achieve them.

Discussions on catching up to more advanced countries in economic indicators and in establishing the precise share of renewable sources are undoubtedly important. The subjects pursued in the *In Search of the Czech Future* project suggest that without consensus on the **rules and conditions** under which these discussions are held, we are not able to achieve better results except those reached relatively by chance. We repeatedly find ourselves in a situation in which the relevance of an argument is not decided by the conclusiveness of the claim but rather by proximity to the ruling elite, the strength of a lobby or privileged access to resources.

It could be argued that **values** are lost when procedures are emphasised. In fact, the opposite is true. In the situation today, the requirement to introduce fair and open procedures in public life is a expression of clearly anchored values. The project also showed that the consistent use of such procedures is derived from a deeper base shared by society, from rules and principles that are unwritten but more widely accepted for being so. While many of them, for example the uncertainty of our place in the West and our prosperity or mutual respect, were very simple, it nevertheless seemed that the degree of their application distinguishes us fundamentally from countries with better stability, competitiveness and quality of life. Project discussions on a very broad range of subjects almost regularly turned to values.

Regardless of whether our attention focused on energy, transport or education, we repeatedly encountered limits reflecting problems of a more general nature rather than the boundaries of known technologies or knowledge. Emerging in a new perspective from practical analyses were key concepts suggesting the direction that further analytical and civic interest and even political attention should take: the development of **trust and honesty** in society as the basis for cooperation between various actors and even the inclusion of additional levels of each problem; the conscious cultivation of **openness** as a condition for finding new and balanced solutions and increased **consistency** in the application.

In a world of growing inequality, the freedom of each person is based on the extent to which society offers them the possibility of a real choice, i.e. the opportunity to pursue the life they choose. The path to this society runs through education growing out of the post-industrial paradigm, in which the motivation for learning is no longer obedience and coercion but mainly **internal motivation**. Education, which prepares a person for work, also provides them civic competence allowing full engagement in the creation of society and on the economic, social and political levels. It helps people find their way in the turbulent waters of our complicated world, to renew their internal stability and to maintain their mental health.

The principles of **freedom and solidarity** are often viewed as opposites on the axis between individual and collective. In reality, it has been shown that the development of democratic society requires both in the long run. In contrast, their full development stems from the ability to democratically resolve the tension between the two. In the analyses conducted in the *In Search of the Czech Future* project, we used the examples of Denmark and Finland to verify that it is possible to find broad social consensus on issues dealing with globalisation or the fundamental transformation of education. Will we also be able to find themes in our tradition and experience that can develop culture enabling such a consensus? Can we not only find inspiration elsewhere but also precisely analyse our specific conditions to the point where they can be suitably applied? These are certainly questions to which we will continue to search for an answer.

It is liberal democracy that is based on universal access to civil rights. If we want citizens to engage in public life, perform democratic control over the exercise of power not only through elections but through continual interest in public life, the state must take the first step and create adequate and easily accessible space for the democratic engagement of citizens. In practical terms, this means innovating the method of communication and mediating the interests of citizens by systematically building different **platforms for engagement**. Practical solutions to all types of problems can be sought in this space, where the transparent rules of public life provide protection against the colonisation of the state by private interests. This process will lend new legitimacy to the state, renew trust in institutions and encourage citizens to pursue a common goal.

Political **instability** and the low transparency of the **rules** of the political environment are to blame for our social and economic stagnation. The thorough depoliticisation of public administration and the justice system along with the introduction of transparent rules in public life are an essential

condition for finding a democratic and correct solution. Without new forms of engagement and reforms of state administration, it will be difficult to activate the capacity of society to democratically formulate, promote and especially complete long-term strategies.

How can all of these changes be achieved? In addition to pressure from active citizens and non-governmental organisations and the gradual transformation of public institutions, recent years have also seen the reawakening of new **epicentres of civic transformations** outside the commonly perceived space of civic initiatives – among scientists, businessmen, teachers and lawyers. The business community in particular must play a key role in this process. A growing number of entrepreneurs understand that the goal of philanthropy is not to buy a better reputation but rather to provide selfless or systematic help in areas where society lacks the necessary capacity, regardless of whether it involves care for the needy and disadvantaged or the promotion of new anti-corruption laws. We are reaching a unique phase of development. The creation of **new alliances** between actors can mean a qualitative advance and the strengthening of efforts toward social renewal.

If these still overly isolated islands of initiatives manage to find common platforms for cooperation, **language and goals**, there is hope for the deeper institutional and value transformation of the country. As such, all of the aforementioned groups must armour themselves with patience and an open mind in the search for common ground for promoting changes. Finding this lost ability to **cooperate for the purpose of pursuing long-term goals**, their cultivation and development is one of the keys to a better future for Czech society.

It would be difficult to formulate a perfect list here of generally valid recommendations. Specific solutions can only be adopted in concrete cases. But for now we are ill-equipped to find them. We must experiment, discover and quickly learn what works and what doesn't work. Therefore, the most important task for now is to build quality social institutions that best facilitate this experimentation, discovery, **learning** and above all civic engagement in public life. Contributing to this debate and attracting additional actors is the main goal of the project and broader process of *In Search of the Czech Future*.



In Search of the Czech Future – Final Project Summary

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Printing: AF BKK, s.r.o.

Published by: Heinrich-Böll-Stiftung in Prague, Green European
Foundation, Glopolis, December 2014

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ISBN 978-80-87753-22-4



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