

## Third Sector and Civil Participation in the Czech Republic<sup>1</sup>

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Non-profit organisations are an important part of modern society. Also, they are one of the key institutionalised players in interest mediation. The main topic of the article is the issue of operation of third sector<sup>2</sup> and civil participation in the Czech Republic. The notion of civil participation comprises involvement of citizens in the public sector, separated from (but not independent of) the state, and the economic sector. Further, it encompasses the articulation, organisation, and promotion of interests of citizens within the involvement.

Non-profit sector in the Czech Republic did not emerge out of nothing after 1989. Several officially acknowledged organisations that could be considered rudiments of the non-profit organisations existed here before – ecological organisations such as “Brontosaurus”, tourist and sports clubs, etc. Aside these organisations, there were also several illegal, or semi-legal organisations – the Committee for Protection of Unjustly Prosecuted (*Výbor na obranu nespravedlivě stíhaných*), Charter 77 (*Charta 77*). On their basis, several non-profit organisations were founded after 1989 (for example, the Committee of Good Will, Olga Havel Foundation [*Výbor dobré vůle Olgy Havlové*]). After November 1989, the non-profit sector was not really established, in fact, it revived. The sector has a relatively rich history, with its roots going back to the era of the National Revival. Back then, it mainly consisted of cultural, artistic, and education societies and associations. These organisations were important partakers in the civil life of Bohemia. After the independent Czech state was established in 1918, the non-profit sector saw a significant boom [Müller 2002].

It is very difficult to define organisations in the non-profit sector. The works of L. Salamon [cited from Šilhánová 1996] provide perhaps the most acknowledged definition. According to Salamon, an organisation must meet the following criteria to be ranked among non-profit organisations: (1.) *institutionalisation*; (2.) *independence of state or public administration*; (3.) *use of potential profit for own activity*; (4.) *self-governance* – managing their own activities independently in line with their internal rules; (5.) *voluntarism* (the functioning involves the element of voluntarism – voluntary work and/or contributions); and (6.) *public benefit*.

The last mentioned principle, however, does not apply to all kinds of non-profit organisations. From this point of view, it is possible to distinguish between two kinds of non-profit organisations. The first type contains mutual benefit organisations (especially societies and associations established in order to pursue the interests and meet the needs of its members). Members of these organisations share hobbies, social position, age, nationality, religion, etc.

The second type of non-profit organisations is public benefit organisations (also, public interest companies). Their aim is to provide public benefit services to third parties. They are open to everyone with interest from the general public. These organisations are much more beneficial for the society as a whole. Therefore, many countries give preferences to them, for example in various forms of tax concessions, over mutual benefit organisations (*mutuals*). In the Czech Republic, the law does not differentiate between the mutuals and public benefit organisations.<sup>3</sup>

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<sup>2</sup> The notion of third sector was articulated by a political scientist, Amitai Etzioni, in 1970s as an expression describing private organisations providing services in public interest and subsidised by the state [Etzioni 1973].

<sup>3</sup> For example, Act No. 357/1992 Sb., on inheritance tax, on gift tax, and tax on real estate property transfer does not distinguish between a donation for a local soccer club and a donation for an institution providing care to mentally-disabled. In both cases, these donations are freed of the gift tax.

Non-profit organisations play an irreplaceable role in modern democracies. More precisely, their roles involve: (1.) *participative role* – citizens try to express their common interests and requirements by associating in non-profit organisations; they associate in order to resolve their common problems;<sup>4</sup> (2.) *service* – non-profit organisations provide services especially for groups of people not able to saturate their needs anywhere else;<sup>5</sup> (3.) *creating opinion plurality* – various marginalized groups of the society may also express their interests and needs through non-profit organisations.

As part of their powers, non-profit organisations aggregate, select, and satisfy the interests of citizens. This process of interest mediation oftentimes involves satisfying individual and group interests and needs originally defined as the functions of the state. For example, in social areas or in health protection and support, including care for disabled, non-profit organisations frequently offer not only an alternative but also the only source of satisfaction of citizen interests (care for senior citizens, work with mentally or physically handicapped children and adults, asylum homes, hospices, etc.). In the opinion of Weisbrod, non-profit organisations saturate functions of the state and offer alternative for private sector. But, moreover, by collective interests and production of collective-public good, they substitute satisfaction of individual interests [Weisbrod in: Phelps 1975: 182].

Table 1 shows the number of inhabitants of regions per individual types of non-profit organisations. Most probably, the view of the category of civil associations (citizen-action public) is the most interesting. Here, it is necessary to stress that approximately 15 to 20% of civil associations are inactive. Also, we find a certain degree of centralisation in this area – while in Prague and other big cities, we find more head offices of civil associations, there are more organisational units of associations in other regions. Despite that, Prague, the Central Bohemia region, and the Vysočina region appear as most active in this respect, taking into account the population. On the other hand, the Moravskoslezský and Zlínský regions appear as least active.

Table 1. Number of citizens per individual types of organisations (divided by regions)

	Found ation	Endowmen t fund	Public benefit organisation	Special- purpose church facility	Civil associati on	Organisatio nal unit of association
Capital city of Prague	1,834	5,530	9,172	3,840	148	519
Central Bohemia region	18,116	38,732	31,200	1,992	176	364
South Bohemia region	21,530	9,182	13,008	1,683	203	201
Plzeňský region	16,149	23,872	21,962	1,700	228	217
Karlovarský kraj	33,704	21,667	33,704	1,850	232	379
Ústecký region	45,499	38,999	19,046	2,105	219	447
Liberecký region	32,852	30,506	20,337	2,043	223	325
Královéhradecký region	9,622	10,348	36,564	1,769	205	283
Pardubický region	13,696	14,905	19,491	1,891	211	257
Vysočina region	23,536	14,794	39,830	1,767	189	242
South Moravia region	26,729	11,455	23,886	2,273	230	348

<sup>4</sup> In this manner, citizens are actively involved in decision taking of, e.g., municipalities, regions, or state. At the same time, they accept certain share of responsibility for the decision, taken by public power authorities.

<sup>5</sup> Non-profit organisations in fact fill in the gap in the offer of services, usually provided by the state or municipality. Services offered by non-profit sector usually tend to be very efficient, because non-profit organisations are not forced to report profit from their activities. These services are usually much better targeted, because they are based, for the most part, on actual needs of the clients.

Zlínský region	49,035	8,388	37,498	2,560	276	388
Olomoucký region	24,715	10,592	23,726	1,648	219	297
Moravskoslezský region	34,162	18,319	31,600	2,655	294	540

Source: Government Council for Non-Government Non-Profit Organisations.

### **Czech Non-Profit Sector in the Context of Central Europe**

When analysing the third sector, some of the following aspects of its functioning are usually investigated: **legal environment** (legal and regulatory framework), **organisational capacity** (operation of NGO, existence of education and consulting mechanisms), **financial sustainability** (variety of financial resources, transparent environment for competition for grants), **defending** (the non-profit sector monitors, demonstrates, and defends its interests, it is able to mobilise citizens, adapt to current changes), **provision of services** (non-profit sector reflects and satisfies the needs and interests of citizens and social groups), **infrastructure** (existence of organisations, providing training and support to NGOs), **public image of NGOs** (knowledge of and trust in non-profit sector by the public, growth of voluntary work). United States Agency for International Development (USAID) joins these aspects into an index of non-profit sector sustainability and publishes it regularly [Stuart 2003].

Now, we will briefly focus on the evaluation of non-profit organisations in the Czech Republic based on the above-mentioned criteria. This way, we will be able to perceive the Czech non-profit sector in a wider European context. For comparison, we have selected Slovakia, Hungary, and Poland in addition to the Czech Republic.

Slovakia gets the best rating, mainly thanks to its high level of defending, level of organisational capacity, infrastructure, and highly positive public image. For example, the public and the experts evaluated the non-political campaign aimed at increasing the election turnout in 2002 very positively. In 2001, Slovakia introduced tax assignments (1%)<sup>6</sup>. Approximately 325,000 tax payers made use of this opportunity.

The second-best rated country is Poland. The level of services provided, infrastructure, and organisational capacity of the non-profit sector in Poland are valued best. In 2001, Poland also opened the Office of Polish Non-Profit Sector in Brussels. Its main aim is to improve communication between Polish NGOs and NGOs from EU member states, officials, and representatives of the European Union, and successful involvement of Polish NGOs in the existing networks.

The worst rating goes to the non-profit sector in Hungary. Hungary saw a decrease in the number of organisations. Links between state authorities and the non-profit sector are excessive, NGOs do not communicate among themselves, and there is no mutual co-ordination. The Hungarian non-profit sector, however, has the best rating in the region for legal framework for operation of non-profit organisations. In 2002, for example, more than 1.3 million of citizens used the option of 1% tax assignment.

Based on these criteria, the financial sustainability of the non-profit sector (although excessive centralisation of financial resources provided by the state and dependence of NGOs on this kind of funding is apparent in the Czech Republic) and defending (the individual organisations create alliances and integrate successfully in public benefit campaigns – for example, fight against home violence) have been assessed as better than average in the Czech Republic. But the main deficiency in this area is the absence of an alliance of organisations or an umbrella organisation that would successfully promote the interests of NGOs at the central

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<sup>6</sup> Tax assignment is a possibility of taxpayer to assign certain percentage of his/her taxes (usually 1%) to a specific non-profit organisation.

level – e.g. in the Parliament and the Government (not only in the issues of preparation of legislature and its amendments).

Also, the provision of services – especially in health care, social services, education, and humanitarian aid – have been assessed positively. In these areas, the non-profit organisations play an important role. The public image of non-profit sector is improving in the long term – one of the key moments is the annual campaign titled “Thirty Days for Non-profit Sector” organised across the country by Non-Profit Organisations Information Centre (*Informační centrum neziskových organizací, o. p. s.*).

In a survey conducted in June 2003 by the Public Opinion Research Centre (*Centrum pro výzkum veřejného mínění – CVVM*)<sup>7</sup>, we investigated whether the population is familiar with notions such as Non-Profit Organisation (95% of respondents stated they knew what the notion referred to), and Voluntarism (more than 96% of citizens knew the term). By asking whether respondents helped a specific organisation in the last year (35%), we also tested the knowledge of non-profit organisations.<sup>8</sup> Approximately one third of respondents (almost 32%) mentioned a specific organisation. Catholic Charity (*Katolická charita*), Red Cross (*Červený kříž*), Anti-Cancer League (*Liga proti rakovině*), People In Need (*Člověk v tísni*), and Help Children (*Pomozte dětem*) rank among the most famous organisations. The highest number of respondents stated that they provided financial aid to an organisation (82%). 28% of them contributed with their time and work, and 48% donated a gift. More than five percent of respondents stated that they helped in another manner.

In the survey, we have also investigated what enticed the respondents to help others. The largest share of respondents (more than 92%) mentioned that the feeling of moral obligation is their motive, they like helping others (more than 88%), and the fact that their family and friends also help (almost 85%).

In comparison with other countries in the region, the legal environment (especially low level of synchronisation of the existing standards and their enforcement), and the organisational capacity (despite general knowledge of the notion of voluntarism, this activity is not widespread and NGOs only rarely involve volunteers in their activities) were valued below the average in the Czech Republic according to the USAID report. However, there are certain improvements in this area. The infrastructure of the Czech non-profit sector is permanently valued below the average – especially the efficient communication among the non-profit organisations is lacking. The establishment of the Association of Non-Government Non-Profit Organisations (*Asociace nestátních neziskových organizací – ANNO*) in 2003 promises certain hope. In this stage, however, it is difficult to analyse future development of this association and, above all, possible development of an alliance or an umbrella national organisation.

### **Civil Participation**

We do not see civil participation as an isolated phenomenon – at practical level, the results obtained support the hypothesis on links between political and non-political participation (see Olsen [Olsen in Van Deth 1998]). At the micro-level, we understand civil participation as involvement in voluntary organisations, through which citizens implement their specific aims. At the macro-level, we define civil participation as a process by which organised citizens strive to integrate their interests into the decision-making processes through active participation and try to achieve active influence over politics. In the investigation conducted

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<sup>7</sup> Author of research: Mgr. Petra Rakušanová, Sociology of Politics department, Institute of Sociology of the Academy of Sciences of the Czech Republic. Field investigation conducted on: 23 to 30 June 2003. Number of respondents: 1,062. Representativeness: population of the Czech Republic above 15 years.

<sup>8</sup> We consider this question to be a control question. By asking it, we not only measure attitudes towards non-profit organisations but also their knowledge.

by CVVM in June 2003, for example, more than 71% of respondents stated that they were actively involved in civil life. Also, 13% of respondents mentioned political attitudes as a reason to help others.

A total of 56% of respondents stated that they were members of a non-profit organisation – for the most part, respondents were involved in the activities of sports clubs (22%), interest organisations (19%), and local associations (13%). On the other hand, they were least active in ethnic organisations (less than 1%), and social and environmental movements (1% or 2%). The analysis of social demographic parameters has revealed that men are more active than women. More activity is present in citizens of smaller towns (5,000 to 14,999 inhabitants), small villages (800 to 1,999 inhabitants), and cities (Prague), and from people with university and secondary education. Respondents who mentioned they voted for ODS and KSČM in the elections into the House of Representatives of the Parliament of the Czech Republic are the most active. The largest figure of active people is among people in productive age – i.e. in age categories of 45 to 59 years and 30 to 44 years.

On the other hand, citizens in the Moravskoslezský region, the North-Eastern Bohemia (analysis at the level of NUTS 2 regions), citizens of large towns (80,000 to 999,999 inhabitants), and the smallest villages (less than 799 inhabitants), people with secondary education without GCSE examination/graduation (*maturita*) and primary education are the least active. Also, non-voters (respondents who stated that they did not take part in the elections into the House of Representatives of the Parliament of the Czech Republic), and respondents who voted for ČSSD are among less active. People over 60 years of age are the least active.

Respondents also thought that non-profit organisations contributed to resolving social issues, both in general (more than 54%), and locally in their surroundings (more than 33% of respondents). More than 46% of respondents considered non-profit organisations in the Czech Republic as well organised and efficient in their activities (22% of respondents expressed disagreement with this opinion and almost 32% stated they did not know). Approximately 27% of respondents stated, however, that non-profit organisations tend to serve the promotion of individual aims. These were primarily respondents with lower education (primary education, respondents with vocational schools and secondary schools without GCSE examination /*maturita*), older people (older than 45 years), predominantly men, more frequently from Southeast and Southwest Bohemia, and Central Moravia.

Further, we tried to map whom the citizens contact when trying to resolve various personal or community issues.<sup>9</sup> In this context, the hypotheses claiming differences between regions as well as influence of the size of the municipality and region on the participation of citizens in public life were confirmed. In regions with low level of participation (Moravskoslezský region), citizens relied on the state and their own activity in difficult life situations – traditional communities have eroded for the most part and passivity took their place. Data about the numbers of citizens per non-profit organisation in these regions and the analysis of data confirm such situation. In structurally affected regions (high unemployment, etc.), the non-profit sector develops more slowly but at least it offers an alternative to growing passivity.

On the other hand, citizens in regions with developed network of non-profit organisations (supplemented with social networks) – Southern Moravia, and in more individualised Prague,

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<sup>9</sup> Tested questions – for example, “Daughter of your friends, a university graduate, cannot find work for over a year; In the household of your acquaintances, there is home violence; At the land of the municipality, there is to be a toxic waste dump”.

where individual activity of people plays an important role in addition to non-profit sector, people contact state the least. Here, non-profit organisations are becoming a natural addition to traditional relationships. Social networks continue to play an important role and church and non-profit church organisations are significant entities in the non-profit sector. Tábor seems to be an average town in this respect – citizens rely both on the state and on social networks here.

To conclude, we may say that despite certain general deficiencies (e.g. critical assessment of the legal environment – especially low level of synchronisation of current standards and their implementation) as well as specific shortcomings (e.g., organisational capacity – absence of sectoral alliances), the Czech non-profit sector is at a very good level of development. Non-profit organisations present an important alternative. Moreover, predominantly in health care, social services, education, and humanitarian aid, they frequently are the only service provider (e.g., hospice facilities).

The notions of non-profit sector and voluntarism and knowledge of specific organisations are firmly rooted in the awareness of the general public. Generally speaking, the operation of non-profit organisations is evaluated positively – respondents think that non-profit organisations contribute to the resolution of social issues, they are well organised, and have efficient operation. More than half of respondents (56%) stated they were members of a non-profit organisation. The analysis of the social demographic parameters has also brought some noteworthy aspects of civil participation – the participation is stronger for men, inhabitants of smaller towns, small villages, and cities, people with secondary and university education in productive age.

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