

VEŘEJNÁ POLITIKA

Učební text

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1. CONTEXT OF PUBLIC POLICIES

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Introduction

It would not be right to separate public policies from the development of the society in which they are implemented. Public policies are drawn up so they can intervene in these processes. Likewise, they are influenced not only by more common historical, political, economic and social processes, but also by the deeds of differentiated actors. The form is also fundamental to them of the institutions which take shape over the course of time as instruments for settling public affairs.

The objective of this first chapter is to devote attention to these more common contexts of public policies. Let us begin with an analysis of the relationship between the individual and society. The definition of this relationship has far-reaching consequences with the choice of the approach to the design and implementation of public policies. Finally it introduces the concept of governance which is offered as a key to understanding the ways in which societies are administered at the start of the third millennium. This is followed by the characteristics of the position of public policy as a *policy* taking place between *polity* and *politics* – a concept facilitating the understanding of its material content and specifics of practical implementation. The chapter concludes with a discussion on the anchoring the values of public policies and the difficult search for their legitimacy in relation to public interests.

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1.1. Society and the Individual

The objective of this sub-chapter is to answer the following questions: is it expedient to perceive man as an isolated individual and analyse his behaviour? Or are people right who claim that the essence of the circumstances for understanding individuals is their existence in social relations? That ignoring these relations diminishes and distorts our knowledge?

Keywords:

INDIVIDUAL, SOCIETY, HUMAN POTENTIAL, SOCIAL RELATIONS, AUTHORITY, UTILITY

Public policy as a mediating link between the individual and society

Some time ago William Dunn wrote: *“It can be said that the study of public policy is just as old as Plato’s concept of the republic.”* (Dunn, 1981, p. 8-19) But even before ancient philosophers became engaged in the subject of conflicts of interest and ways of resolving them, people attempted to settle these conflicts during a lifetime. Unfortunately usually by a force of arms on a battlefield. Fortunately not always there.

Public policy in practice is a sort of preventive instrument for avoiding and settling conflicts which are and will be the natural functioning of contemporary societies. Our lives and deeds depend on the lives and deeds of other people – but not just this. We cannot extricate ourselves from social frameworks which intercede and allow human co-existence. Money. Justice. Organisation. Language. Culture. In these complicated relations our individual interests mix and intersect with the interests of other people, social groups, corporations and states. If these often conflicting interests cannot be harmonised, most of the interested parties can end up paying a heavy price. Economic and social crises, wars, takeovers and revolutions are, inter alia, also a sign of an unmanageable conflict of interests.

In the second half of the twentieth century a new scientific discipline, public policy, was constituted in the background to philosophy and the already established social sciences. Academics did not merely come up with them to have fun and live off. It arose from the need of more responsible politicians and officials to draw on the systematic knowledge of the nature of these interest conflicts so that they can gain recommendations of how to prevent these conflicts from turning into violence, how to avoid them, how to ‘tame’ them – and perhaps even resolve them.

What is more? The individual? The collective?

Without even fully realising it, many of our daily decisions, opinions, attitudes and deeds stem from how this or that one is responsible for one of the basic philosophical issues – what is the relationship between the individual and the community, between I and THEM, or in the words of Etzioni between I and WE (Etzioni, 1995). Is society a sum of individuals or more than this, a real entity capable of ‘decisions’, have interests, define goals? Is the purpose and essence of the status of individuals purely the fact that they are members of a certain community, some collective entity, whether a municipality, nation, race or class? In this context Plato replies: *“you are created for the salvation of the whole, the whole is not here for*

our salvation” (according to Popper, 1994, p. 274). Incidentally, even another ancient thinker, Aristotle, does not doubt the fact that man is a ‘social creature’, who would be unable to survive outside a community. Hegel talks of individuals being subject to ‘the moral whole’ – the state (ibid). So do social needs and public interest exist? If so, what has or should have priority? Social or individual benefit? Is there a contradiction between them?

Or is the approach of raising the collective above the individual fundamentally flawed, real beings are purely individuals and society is purely: “*a derived mental abstraction (which) cannot have any goals or interests or benefit*” (Kinkor, 2000, p. 60)? Thus the individual is the purpose and scale, and the individuals are citizens who independently or in groups decide about the allocations of resources, institutions and rules. In their extreme form, the advocates of so-called libertarianism become convinced that the state is an institution whose existence is associated with a number of problems and it would be more multilaterally expedient if it did not exist. Man is to dispose of his property according to his own conviction, i.e. free will. Any intervention in these rights is violence and cannot be defended. In the context of the economic functions of a state, this approach can best be illustrated, for example, in the work of Murray Rothbard.

The answer is important for our ability to recognise and anticipate things and assess them. For example, it is crucial for practical public policy whether the idea of independent individuals carrying out their own decisions is closer to the truth (e.g. Buchanan, 1998) or the concept considering the individual primarily as a member of ‘social collectivity’ which defines individual decision to a considerable extent. Etzioni believes that independent individuals capable of adopting relatively rational decisions can only be found within communities. According to him, individuality exists, however only within a social context (Etzioni, 1995). If this is the case then not even apparently obvious axioms such as mutual expedience of a spontaneous shift need not apply. Man – an individual can be a manipulated object and the importance logically increases of institutions and their ‘collective rationalities’.

The understanding of a relationship between an individual and society is also crucial for the interpretation of the fundamental term of science about society. This term is **authority**. Without understanding where it becomes from in a human community, how to ‘explain’ it would be very difficult, unless it is possible to strive and understand public policy. “*Authority is the fundamental term of science about society in the same meaning as energy is the fundamental term of physics.*” (Russel, 1947, p. 10, according to Holländer, 2000, p. 21). The term institutional estate became established in the philosophy and later sociology for constituting authority in the form mediated and secured by the state (Max Weber).

One of the historically most significant approaches attempting to find justification for the existence of authority by rational arguments (and not for example by divine decline) is established on anthropological bases. In short, (for detailed argument we recommend for example Holländer, 2000) – man’s fundamental need as every other living being is the reproduction of himself, his species. Given that man in biological essence is a social being – the efforts to preserve the ability to reproduce forces man to live in a group. The reproduction of a group (in conditions of competition with other human groups, animal species, influence of frequently harsh conditions, etc.) demands that people in a group behave in a certain manner. This leads to the need for the existence of the rules of behaviour limiting the freedom of the members of the group. Holländer (2000, p. 22) concludes: “*in each human group (for example in a family, political party, enterprise, i.e. in each group exerting a certain social activity) there is a system of control, a system of action on the individual in order to secure a*

certain situation, in order to secure the reproduction of the group.(...) We call this system of action authority. There is authority which is an unavoidable bond between the reproduction of society and the behaviour of individuals, (...) as noted by Duverger, authority takes on a Janus form: "Authority suddenly has two faces – one side is the oppressor and the other the integrator."

This is where the understanding of authority arises from as the restriction of the freedom of the individual in order for the group to reproduce and also how the superiority of group interest over the individual is derived.

Of course man is also a free-thinking being capable of free action. This is where the material contradiction arises between man's individuality, his interests and goals, and the inevitability to live in a group. In addition, the actual 'objective need' for authority still does not say anything about who and why should have it, what instruments and mechanisms should be used to create the standards of behaviour and, last but not least, when is this the preservation of the reproduction of the group and when the suppression of freedom of some purely for the benefit of others. On other words, when assessing public policy the legitimacy must be constantly re-examined of goals and instruments, the ratio between aggregated costs and benefits of individual option is not just analysed, but the distribution impacts in terms of individual people and groups also consistently observed.

The dilemma between individualism and collectivism is also manifested in further fundamental terms so important for the analysis and assessment of public policy – in terms of economists this is **the understanding of utilities**, or the good.

If we understand **utility** in the way in which the prevailing neo-classical approach of contemporary theoretical economics works with it, we will sooner demand from public policy that it reacts above all to the needs of the people, increase their information and allow everyone the possibility of participating in defining priorities and goals. The better and more accurate the knowledge of what people really want and need, the greater the chance that specific policy will be effective and beneficial. Neo-classical paradigms work with **subjectively** understood utilities in the sense of the subjectively utilitarian philosophy of Jeremy Bentham or John Stuart Mill. Utility is that which is considered by the more or less rational and more or less informed 'supreme consumers'. In a market environment they display their utility by the willingness to pay and in the public sector they implement collective political decisions – so-called public choice.

On the other hand, many examples can be found when it is evident that individual people make short-sighted, selfish, impulsive and stupid decisions which ultimately damage them. This is just one step to the idea that utilities are of an **objective** nature. They exist independently of whether people realise them or not. Normally science, informed people, experts and institutions help us to learn about them. Thus the goal of public policy is to identify such '*real*' utilities.

Whereas in subjectively understood utilities, a perceived utility acts like an goal which needs not be applied to any further ultimate goal, the conviction and weight of objectively existing utilities are totally dependent on it. For example, these can be the abovementioned ability of the reproduction of the species and community, but in practice we can also come across alternatives. One possible and the most interesting is the concept of the 'human potential' and its cultivation, for details see Example 1.1.

Example 1.1: Category of the human potential and its importance for the normative definition of the function of public administration (according to Blažek, 1991, Potůček, 1991)

Human potential means the preconditions of man for activities which he realises in all his fundamental socio-economic functions, in the function of citizen, family member, worker, consumer and owner.

Its cultivation is (it should be) the highest goal, fundamental criterion of expedience of the functioning of public administration.

The human potential theory specifies the human potential by its following components:

- health potential,
- knowledge and skill potential,
- value orientation potential,
- social participation potential,
- individual integrative and regulation potential,
- creative potential.

The individual components of the human potential are not accurately measurable via appropriately selected indicators however the attained level of the individual components of the human potential of each individual and therefore individual groups of the population can be expressed.

The health potential is manifested in the system of objective and subjective indicators of physical and mental state of health.

The knowledge and skill potential is manifested by a system of acquired theoretical knowledge and practical skills.

The value orientation potential is manifested by a range of adopted values of the individual and society.

The social participation potential is the defined degree of willingness of an individual to contribute to resolving the tasks and problems of another individual and of social groups to which the individual does or does not belong.

The individually integrative and regulatory potential can also be called a free potential and is manifested by the degree of ability at self-control.

The creative potential is determined by the degree of ability to find the most effective methods of satisfying needs.

The significance of the quality of human potential of every person, every member of society, grows as a consequence of the following factors:

- natural resources are gradually being exhausted. There is the growing influence of science and technology on the way to satisfy needs which leads to greater demands on the quality of human potential at manufacturers and consumers;
- all forms of the division of labour are deepening and bring with them all forms of integration which are – especially forms of international integration – highly demanding on the quality of the human potential of every person;
- develops the democratic forms of political arrangement of states and integration. The effectiveness of democracy is in direct proportion to the quality of human potential;

If we sum up these reasons (and a number of further ones certain exist), we can conclude that:

- the significance of the human potential grows for the quality fulfilment of all the functions of man in society; i.e. man as a citizen, family member, worker, owner and consumer.
- the significance of the quality of the human potential of each person grows. Obviously the stage of the society of the elite is ending and the stage of the elite society is beginning. More specifically, a stage is ending in which the quality of society depends above all on the quality of the social elite (not through family and property, but spirit) and the stage is beginning in which the quality of society depends constantly more on the quality of each member of society in the economic, social and political dimension.

However the fact remains that we are not born equally, both genetically and socially, although social inequality does not stem only from differences in household incomes, but also from various levels of the cultivation of the human potential of the family and broader environment into which a person is born. Given what has already been said, the quality of the life of each person is becoming more governed by the quantity and quality of the ways to satisfy needs. It is therefore in the immediate interest of each person to be interested and engaged in the conditions which exist for the quantity and quality of the way that not just his needs, but also those of each other person are satisfied – in his own, essential interest because he is in fact engaged in the conditions of his own life.

It is not in the professional competence of economists to assess alternative goals according to how ‘good’ they are. Their role does not begin until the moment when they ‘receive’ the defined and desired goals and values which are to be preserved and are to help with the decision-making of how to achieve these goals as effectively as possible, i.e. with the best achievable out/input ratio.

Example 1.2: Theoretically by applying the methods of economic analysis it can be calculated whether it is more effective for society as such to use its disposable resources *to preserve a specific biological biotope or construct a motorway* allowing the economic development of a certain region (for the methodology of this and similar method of economic assessment see for example Drummond et al., 1987). Understandably, it is very difficult and complicated nevertheless we come across similar analyses in practical life. Of course, what is not possible is to attempt to hold discussions using economic arguments with somebody who claims that the destruction of a single animal species on Earth cannot be compensated by higher growth of the level of consumption, and cannot through economics (even biology or other science) answer whether it is more in the ‘public interest’ of one or another. In the conditions of a plural democratic society this is a question of a political and legal mechanism.

As has already been stated above, methodological individualism prevails in economic thinking unlike the approaches of public policy. It must be noted that in its purely 'textbook' form of liberal and rational action maximising personal gain, it represents only a certain standard, *benchmark*. *Welfare economics* attempted to overcome its evident limitation in the practical analysis of real phenomena by introducing the so-called function of social utility as well as other approaches stressing the influence of institutional limitations and opportunities, and determination of the free will of the individual by existing rules, morals, ethics, cultural background, etc. (see for example Sen, Etzioni). **If we want to understand the functioning of the real world, we also need to reflect the existence of different paradigms.**

Test questions:

When and how is the concept of individuals making their own decisions implemented in research?

Why is authority essential for the functioning of human communities?

What is the difference between objectively and subjectively understood utilities?

Illustrate using an example the realisation of individual components of the human potential in its fundamental socio-economic functions!

In what contexts is it useful to implement in research the concept of man as a member of collective entities?

Recommended reading:

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1. 2. Governance

The objective of this sub-chapter is to clarify the term of governance in its fundamental dimensions which are multi-level governance, principal regulators (the market, state and civil sector, potentially the media in mutual relations) and networks of actors.

Keywords:

GOVERNANCE AND ITS LEVEL, REGULATORS, MARKET, STATE, CIVIL SECTOR, MEDIA, NETWORKING

This authority (or also: this ministry, this government, the European Union...) does not function as it should! We hear such sighs (but also more stinging remarks) all too often. We are not satisfied with the way we are governed. In most cases this is justified.

And it will not encourage us to know that we are not alone. All of humanity "is in it" with us. Yes: Humanity cannot manage its own affairs – it has stirred up such dynamics of uncontrollable changes to civilisation that the existing methods of governance are hopelessly lagging behind it. This creates dangerous 'pockets' of tension and conflict, gives rise to rebellion, feeds the potential of destruction. Is there a solution to this problem? There is no known common solution – and it is difficult to assume that there will ever be. We are heading towards a constantly moving goal. A far-reaching humanitarian disaster cannot be ruled out. The balance indicator can be the adequate or, on the contrary, the inadequate capacity to govern (Dror, 2001).

Public policy – as a scientific discipline and social practice – is steadily creating instruments for affliction of this developing trend and a reaction to it: a **global public policy** is emerging (Potůček et al., 2007; Kaul, Grunberg, Stern 2009; think tank Global Public Policy Institute).

Concept of Governance

Thinkers have been fascinated with the problems of governance since time immemorial. Let us recall the classical works of Plato, Campanella, Francis Bacon, Thomas Moor, Bernard Bolzano, Antonio Machiavelli or Clausewitz. However, with all due respect to these classics, there is now a clear need for a new approach corresponding to the deep transformations of the processes of governance in the last decades ... For example, what is provoking is Bovaird's (2005) question: "... are we heading for a future in which the government will remain the key player in public governance or is it realistic to assume that we will be moving around in an environment of governance without government?"

The term governance is crucial. It is “*a system of values, public policies and institutions by which society administers economic, political and social affairs by interaction within and between the state, civil society and the private sector. It functions on all levels of human endeavour.*” (Governance 2000, quoted according to Strategic 2002, p. 1) We will analyse the most important dimensions of the entire complex of governance based on this definition.

Dimensions of Governance

Governance cannot be limited to the level of a national state, its multinational (in the case of our country above the European Union), but also the regional (our regional and municipal) level must be respected. This is so-called **multi-level governance**, (MLG).

Today **governance** is not merely realised **through the state and its bodies. Further regulators need to be considered, especially the market, civil sector and media:** According to Kooiman (2003, p. 5) governance is the collective role of the state, commercial sector (market) and civil sector, and is not inter-independent, but in the form of the commonly shared responsibility of all. But today we can no longer do without including a further influential governance regulator – the media.

Governance cannot rely exclusively on the hierarchy as **its parts are also horizontal links and informal networks.** According to Kooiman (2003, p. 5) the interactions of actors are a rich source of knowledge offering synthesising views of the processes of governance.

1. 2. 1. Multi-level Governance

Marks (1993) characterises multi-level governance as: “*a system of constant negotiation between integrated governments on various territorial level*”.

The epoch of sovereign national states has ended. Governance may be taking place for the greater part at this level nevertheless it is growing at a higher part, multinational level and lower level, especially a regional level (Zürn, Leibfried, 2005, p. 25; Pierre, Peters, 2000). It is the need to come to terms with these changes that led to the rise of the concept of multi-level governance (Bovaird 2005, p. 219; Dančák, Hloušek 2007). Of course, this led to a state of structural uncertainty. The term ‘post-national’ defines the new constellation only in a negative sense as something that ceases to exist (Zürn, Leibfried 2005, p. 26).

The example of this tendency is the process of European integration, a part of which is the transfer of part of the sovereignty of the European Union member states to Brussels, but also the transfer of part of the competences of central governments to regional governments and groups (an example are the Euro regions). “*European economic integration has significantly reduced the number of political instruments and scope of attainable political goals at national level.*” (Scharpf 2001, p. 360) Under otherwise same circumstances this leads to the growth of the number of actors – and to the growth of the complexity of the entire process of shaping and realising public policy.

Example 1.3: Examples of institutions contributing to governance at European level: European Union, Council of Europe, Organisation for Security and Cooperation in Europe, Visegrad Group.

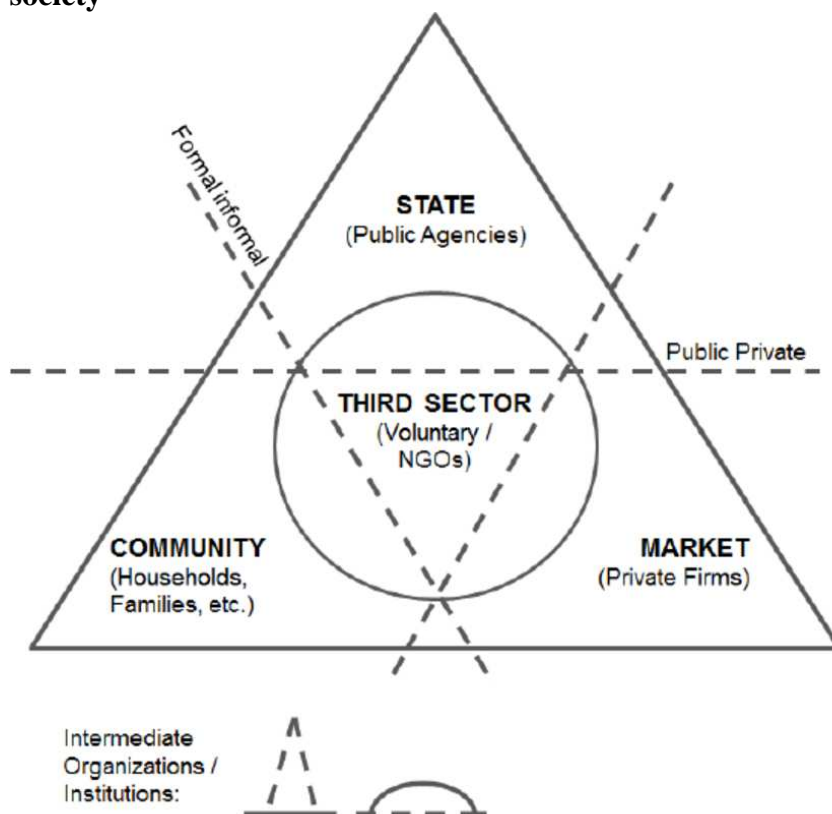
1. 2. 2. Market, State and Civil Sector

Governance is associated with the creation and implementation of institutions, i.e. of common rules and specific frameworks for collective actions. It cannot do without the mechanisms which exceed the rigid authority of a government such as a market exchange, agreements or grants in which actors from the commercial and non-profit sector will also participate (Milward, Provan, 1999, p. 3).

Common mechanisms of regulation were named by the prominent – today half-forgotten – Czech sociologist, Josef Ludvík Fischer, in his somewhat archaic languages as follows: “*We have received a central sociological term, a term of social regulations (...). It means that it contains all facts of social origin which condition the behaviour of shared individuals.*” (Fischer, 1969, p. 7) In today’s language the definition could read as follows: **Regulators form social conditions of the life of individuals and organisations in such a way so they steer their activity in the expected direction.**

As we can see, governments alone cannot meet their tasks without the participation of the market and the civil sector. The impact of their mutual interactions – sometimes synergic, other times conflicting – is the subject of the careful study of many social scientists.

Fig. 1.1: **Relationship of the state, market and civil sector as regulators of the life of a society**



Source: Abrahamson, P.: Welfare Pluralism (1995), adapted

Now we will examine the individual regulators in more detail. Later we will compare them with their specific attributes and focus on the analysis of the important relationship between the state and the market.

State

The state secures a common and stabilised framework of the functioning of society. In addition, it mediates the shaping and execution of political authority. The goals which society places on various areas require attention devoted to the management and coordination of various interests and effective decision-making about preferences and sequence of tasks which are considered public. It is this role that can be effectively and harmoniously fulfilled above all – and sometimes also exclusively – by the state as an institution adapted to this and possessing the relevant authoritarian and legal instruments. It is marked for the abilities to enforce the representing will of the state and the interest demanded by public administration of individuals, social groups and entire societies (Holländer, 1995). “*What states and only states can do is accumulate and effectively use legitimate authority. This authority is necessary to enforce a government of the law at home and in the world.*” (Fukuyama, 2004, p. 121) This gives rise to the double role of the state in regulation. The state creates common conditions for implementing other regulators, maintains and oversees their adherence. It contributes to the realisation of social goals, but sometimes realises them itself.

Any specific control via political authority can be performed either by direct coercion or determination of the rule which need to be followed. Political authority is a relatively enforceable instrument of regulation and its very execution need not be costly. However it is more costly to establish and maintain authority itself.

Political authority is implemented via public administration – the rules of delegation of this authority to differentiated units of administration are applied. The risk associated with the use of political authority mediated by administration arises from the fact that this authority can be and tends to be abused. Thus it is important to build an effective system of brakes and counterweights into policy and public administration.

A significant instrument reducing the possibility of the abuse of political authority is also the implementation of the principle of the “**legal state**”. The fundamental traits of a legal state are legality (each, **including the state**, is obliged to uphold the law), existence of legal certainty (including the possibility of appealing for the protection of personal rights) and adequacy of the law (unreasonable means must not be applied to the goal which is to be achieved by the law, and fundamental human rights and freedoms must be maintained).

Market

“The market is like a fire: it is a good servant, but a bad master.”

The market is a self-regulating system in which supply and demand, achieved profit or suffered loss allocate precious resources (goods) while maintaining certain limiting preconditions more effectively than any of the other regulators. The market mechanism builds upon a voluntary purchase agreement between the seller and buyer on the exchange of resources (goods). Based on the millions of acts of such exchanges, balanced price systems are created which regulate production and consumption.

Economic theory assumes that the market produces signals via prices which the participating actors follow in such a way so they can maximise the sum of utilities at the minimum use of resources which they possess. Actors therefore follow only their egoistic interests. The magic

of the **invisible hand of the market** lies, according to the interpreters of the original author of this metaphor, Adam Smith (2001), in the fact that by following these purely selfish interests each of the egotistically behaving individuals contributes to the common well-being.

The ideal model of market economy is a balanced model: in the simple world of a market with a perfect competitive environment, such prices appear which distribute inputs to companies and goods sold to buyers in a way that nobody can find such a combination of inputs and outputs which could increase the utility of at least one of the participants of market exchange without also reducing the utility of somebody else. This maximises the sum of the attainable wealth of a society – and such prices of inputs and outputs of production and consumption are found that supply of all goods is equal to demand for them.¹ It must be realised that the relationship regarding the distribution of wealth among individual participants of an exchange is neutral within the context of public policy. This says nothing of how total wealth is distributed among the members of a given society. If the market would be given free passage then the circulatory cumulative processes mediated by recurring supply and demand would cause those who already possess large resources to become even wealthier and the poor would lose the little with what they already had when entering the market² (Myrdal, 1968; Barry, 1987).

Civil Sector

The civil society draws its strength from the attitudes and deeds characteristic for responsible wealth; this is then the breeding ground of the civil sector.

Citizenship³ is characterised by Etzioni (1995, p. 55) as the moral obligation of the individual to the interests of the community in which he lives. This obligation guides people to do something for others:

“...if (the term citizenship) is introduced into families, nurtured in schools, enforced in the mass media, spread by voluntary associations and conveyed from the platforms of presidents and other civil leaders, the nation feels obliged to contribute to the welfare of the communities which they share.” (ibid)

Civil society can then be understood as follows:

“...an independent self-organising society whose individual parts are voluntarily engaged in public activity to satisfy the individual, group or public interests within a legally defined relationship between the state and society.” (Weigle-Butterfield 1993)

A civil society is enforced through constantly emerging, acting and disappearing social interactions between citizens; it creates opportunities for citizens to commonly express their opinions and values, and project them into deeds. It must be realised that situations may arise when the potential of citizenship exists in society nevertheless the state does not create the appropriate institutional forms for its nurturing and implementation. Citizens then have no option but to look for alternative ways of how to come together and implement this potential.

¹ Such distribution is described in economics as effective distribution according to the Pareto principle.

² The regulation of a mediated free market differentiates the participants of exchange in a way very well known to game players *Business/Monopoly*: the rich get richer and keep winning (centripetal effect of market regulation), while the poor keep losing (centrifugal effect of market regulation) and lose completely.

³ Such defined citizenship differs from the technical use of this concept (state citizenship as formal affiliation to some state formation).

The civil sector is an institutionalised expression of the life of a civil society. It is made up organisations which are a form of the voluntary association of citizens sharing common values and are willing to work together for a common cause.⁴

While the state relies on political processes, possesses legislation and public budgets, the commercial sector uses the market to optimise decision-making about the production and exchange of goods. The civil sector needs good information about human needs because it is to satisfy them where they are not satisfied or are only inadequately satisfied – whether by the commercial sector or state. It is formally independent of the state – in this sense it is part of the private sector. Its activities are not guided by the motive of profit, but focus on satisfying the interests of a certain community or even entire societies – in this aspect it resembles the public sector.

Analysts of the development of the civil sector warn of the fact that organisations of the civil sector have the tendency to appear where they are not established well on the market or state. They cannot replace the market or state in their fundamental functions; however they can complement them appropriately and in many cases irreplaceably.

Many different organisations are included in the civil sector. Their division according to whether they are limited to a certain group or to problems of entire societies and whether they provide services or assert some interest is illustrated in the following table.

Table 1.1: **Types of civil sector organisations**⁵

Monitored interest → Type of activities ↓	Mutual benefit	Common benefit (albeit sometimes limited to a certain group or territory)
Service activities	1. Mutual-benefit service organisations of the civil sector <ul style="list-style-type: none"> • <i>sport</i> • <i>recreation</i> • <i>community development</i> • <i>interest groups</i> 	2. General-benefit service organisations of the civil sector <ul style="list-style-type: none"> • <i>social and health care</i> • <i>education</i> • <i>humanitarian aid, charity</i>
Advocacy activity	3. Mutual-benefit advocacy organisations of the civil sector <ul style="list-style-type: none"> • <i>trade unions</i> • <i>employer's associations</i> • <i>professional organisations (associations)</i> 	4. General-benefit advocacy organisations of the civil sector <ul style="list-style-type: none"> • <i>environmental protection</i> • <i>human rights protection</i> • <i>civil rights (consumer rights) protection</i>

Source: Frič, Angelovská, Goulli 2009, adapted.

⁴ Skovajsa et al. (2010) offer a detailed treatise on the civil sector and the conditions of its activity in the Czech Republic.

⁵ Definitions and classifications of organisations of the civil sector face the problem of where to classify the church and political parties. Usually they fall into separate categories whereby the particulars of the church are its ability to satisfy the needs of transcendence, whereas political parties meet the function of an institutional platform to participate in state political and economic power ...

Therefore in the most general sense the civil sector is implemented in two fundamental definitions: activities are realised through it in which people show interest and in which they want to realise (social functions) and to strengthen political cohesion and develop the political culture of a given society (political function). Of course, the share of the civil sector in economic life is also growing – as a consumer and producer of goods and services and an employer (economic function).

This is followed by a list of specific attributes of all three regulators.

Table 1.2: **Fundamental characteristics of the state, market and civil sector**

Regulators Characteristics	State	Market	Civil Sector
basic functioning mechanisms	public administration	market exchange	voluntary associations
decision-makers	politicians, officials, citizens	Owners of production means, financial institutions, producers, consumers	organisation leaders and members
rules of conduct	law, regulations	supply and demand	agreements
decision-making criteria	policy goals	relationship between supply and demand, price	members' interests /public interests
sanctions	state authority with threat of coercion	financial loss	social pressure
prevailing direction of operations	top-down	horizontal contract	bottom-up

Source: Uphoff 1993, adapted.

One of the theories which help us to understand relations between the state, market and civil sector is the theory of corporatism.

A specific form of corporative structure is represented by the institution of the tripartite.

Example 1.4: Example of a corporative structure: Tripartite

The Council of Economic and Social Agreement of the Czech Republic (the so-called tripartite abbreviated to RHSD) has existed in the Czech Republic since 1990 which consists of:

1. state representatives (the state is usually represented and the Council is presided over by the Minister of Labour and Social Affairs);
2. employee representatives (large trade union federations, the biggest is the Czech-Moravian Confederation of Trade Unions – ČMKOS and the Association of Independent Trade Unions);
3. employers' representatives (large employer associations which represent the Confederation of Industry and the Confederation of Employers' and Entrepreneurs' Associations of the Czech Republic).

This is an institutionalised method of negotiation between representatives of the government, employees and entrepreneurs while adopted decisions (relating to economic and social policy, especially to employment, wage policy, working conditions, labour relations, social security, as well as education or equal opportunities) bind the participating parties to uphold and realise

adopted public policies as part of their competences. The activity of the RHSD is governed by a statute and rule of procedure, but is not subject to the law. Similar tripartite structures function at the level of the European Commission and at regional level.

Relationship of the State and Market

As we know, regulators do not operate in isolation. They are linked together by complicated relationships equipped with particularities for their implementation and diversities of the addressed roles. Here I will focus only on the most important relationship which affects the life of individuals and activity of organisations – the relationship of the state and market.⁶

Are there some common reasons for preserving the state's role in the regulation of the market? Arnošt Gellner (quoted according to Musil, 1996, p. 31) sees it as follows:

“The additional impacts of economic operations, if not limited, would have destroyed everything – the environment, cultural heritage, human relations. These forces must simply be limited politically, although their control should be subtle, camouflaged and surmised. The economy must be so strong that it can create pluralist institutions, however not so strong that it could destroy our world.”

Example 1.5: The market fails where the preconditions of economic efficiency according to Pareto are not met.⁷

Possible reasons:

- Existence of public goods,
- Existence of externalities,
- Natural monopoly on the side of supply or demand,
- Information asymmetry between the seller and buyer,
- Changing preferences of market exchange participants,
- Consequences of unregulated competition (*tragedy of the commons*),
- Neglecting the future.

Example 1.6: The market fails also when implementing other criteria than criteria of economic efficiency.⁸

The examples of such criteria are:

- Reducing inequality in the distribution of goods,
- Preserving institutional values,
- Human dignity,
- Nurturing and implementing the human potential,
- Sustainable living.

The state's regulatory role is not at all easy in relation to the market. The state itself is considerably dependent on the entrepreneurial sphere. Since the public functions of business (employment, prices, production, growth, living standard and economic security of individuals) are at the disposal to a considerable extent of private entrepreneurs, the

⁶ Regarding interaction between the state and civil sector and the market and civil sector see Potůček (1997), Potůček et al. (2010), Muhič Dizdarevič (2010) and in the greatest detail Benáček, Frič, Potůček (2008).

⁷ More for example from Samuelson, Nordhaus (2008).

⁸ For more see Potůček (1997), Potůček a kol. (2010), Benáček, Frič, Potůček (2008).

government cannot be indifferent to how it is realised by entrepreneurs. Generally entrepreneurs – and the managers of big corporations in particular – in relation to the state assume such a privileged position that it cannot be compared with any other group. There is a growing risk of the state's failure because its decision-making will succumb to compact economic interest groups (Mlčoch, 1997, p. 157). This results in a remarkable symbiosis of the state and entrepreneurial sphere when either side cannot be interested in threatening it substantially. Entrepreneurs will not get everything they want. But according to Lindblom (1977) they will receive a big part.

The essence of a functioning market is competition. Of course, competition is a form of conflict. No other institution, apart from the state, can create specific control mechanisms for maintaining this conflict within certain bounds. If it does not, according to Etzioni (1995, p. 171) this – otherwise productive and constructive - conflict can escalate up to a point when these social obligations are destroyed that are a precondition and condition of market exchange (for example trust between its participants).

Socio-pathological Forms of Regulation

So far we have come across such forms of governance for which it was not necessary to anticipate a negative impact on society. But in public policy there is a structure which places a chronic burden on society and makes it decay (above all corruption and the activities of the mafia) or where regulation cannot be managed well (here it above all concerns a structural imbalance between global markets and national states). Socially pathological forms of regulation are an expression of the parasitism of public interests or even their taming and subordination to private and group interests.

Example 1.7: Corruption⁹

Corruption is a way of how to attain unauthorised or undeserved benefits for consideration in the form of a bribe or other service in return. A specific market relationship arises between the corrupting and corrupted which could not arise if a corrupted person were not to hold an influential position in state administration or in politics and would not also be prepared to abuse their position for a bribe. If corruption arises in such a case, the state – besides the character of the participating persons - fails. It is unable to guarantee citizens equality before the law: if somebody is placed at an unjustifiable advantage, somebody must exist who will pay for such an action: either a different person or institution will be excluded from the consumption of some public goods, or the loss will “dissolve” in the reduction of the potential benefit of other citizens.

Example 1.8: Mafia¹⁰

The mafia's activity can be compared to the activity of a company that produces, supports and sells protection. It can do so in a situation when the state cannot fully implement its legitimate monopoly of power, effectively react where there is a breach of the law. Another essential condition for the rise of a mafia is the absence or lack of mutual trust between actors on the market. In such a situation protection is essential even if it is inadequate – and moreover a costly – substitute for trust. Mafia comes with an offer of protection; its clients act rationally in economic terms when paying for this protection. Where a market functions without a state and the mutual trust of exchange actors, the mafia provides protection that nobody else is able

⁹ More details for example in the studies of Potůček (1997) or Frič a kol. (1999).

¹⁰ More details for example in the studies of Gambetta (1993) or Potůček (1997).

to provide. Obviously the mafia can artificially create the need for protection. It operates with confidential information in the same way as other entrepreneurial entities cultivate their reputation, work with advertising – and if required does not hesitate to resort to violence.

Example 1.9: Global markets versus national states

Globalised financial markets implement a strategy of the maximising of rent against individual states. Global players operate on this market with one universal language - money. National states, in their attempt at understanding, cooperation and harmonisation of their policies, face cultural, language, value and general civilisation chaos, and mainly a natural differentiation of their interests. In an attempt to support economic development and employment, the governments of individual states often have no alternative than to opt for social dumping (pushing down the price of labour), or to provide tax holidays above all to multinational corporations. Then the consequence is the drying up of resources of the public sector, restriction of social services, growth of polarisation between the poor and the rich inside individual national communities and on a global scale.

Capacity of Governance in the Present World

Globalisation, regionalisation, creation of horizontal networks of cooperation, proliferation of the markets, administration and the media makes responsibility for the consequences of political and administrative decisions constantly more unclear – and therefore facilitates irresponsible attitudes and deeds of politicians and citizens. *“The nature and method of the functioning of authority is being radically altered by globalisation which disperses it, giving it a constantly less personal form, makes it invisible and difficult to integrate into an unequivocal hierarchical diagram. Democracy succumbs to corrosion because the area is getting smaller that is regulated by institutions which are associated with the traditionally conceived policy.”* (Staniszki 2009, p. 13) Jakubowicz sees a somewhat more optimistic future trend (2013, p. 245): *“A model is emerging based on the reconfiguration of institutions and political procedures. Instead of the former centralised, vertical and hierarchical structures which functioned on the basis of a strictly defined decision-making or control system, a multi-level system, less centralised is appearing based on cooperation between more participating parties. New (information) technologies also use such a system of governance to ensure greater transparency of their work and create the conditions for the participation of citizens in various discussions”.*

Global governance can, according to Held and McGrew (2002), be defined as follows:

- it consists of the following infrastructures of governance: global (e.g. the United Nations Organisation for Economic Cooperation and Development, International Monetary Fund, World Bank, G8, G20), regional (e.g. EU, ASEAN, MERCOSUR), transnational (multinational corporations, globally operating civil sector organisations – e.g. Greenpeace), and sub-national (municipalities, locally operating civil sector organisations); national governments operating between these levels;
- is pluralist – there is no single centre of decision-making;
- has variable geometry: the share of individual infrastructures in governance is changing significantly depending on the nature of the problem, place and time;
- creates a complex structure, consists of various factors and networks.

Of course, the capacity and efficiency of global governance far from corresponds to the gravity of the problems that humanity needs to resolve such as global warming or the growing gap between the poor and rich. *“Continuing globalisation presents an urgent issue of whether*

we can govern to cut out the bad and support the good. If government do not rise to the occasion, it will mean not just running away from democratic responsibility, but also failure leading in all probability to highly undesirable and perhaps disastrous future consequences.” (Dror 2001) The need to equip global governance with the knowledge required for overcoming this deficit is leading to the emergence of a new sub-discipline of public policy – **global public policy** (Potůček 2010).

Table 1.3: Neuralgic points of global governance and options of their cure

Neuralgic Points of Governance	Options of their Cure
Disproportion between the global regulatory strength of the market and absence of a global level of administration.	An organic integrating tendency in Europe represented above all by the European Union and similar efforts at the level of world organisations and summits.
Inadequate coordination between the global, regional and local level of administration.	Networks of actors supported by modern information technologies; the support of new regimes of administration based on the share of responsibility.
Inadequate coordination between individual government departments.	Methods of target programming, horizontal and matrix controlling structures.
The differentiation of living conditions and styles carry the destruction of organic forms of social cohesion; the liberalisation of the market leads to a weakening of forms of sustaining the conditions of social cohesion – a state of public social services.	The sole (yet rather retreating) method of resisting these pressures is to quickly adapt informal help, institutions of the civil sector and state of public social services to the changing circumstances.
Despite the noble slogans about environmental friendliness and the monitoring of criteria of sustainable development, it is the narrow and short-term interests of individuals and corporation to attain maximum profit that are being implemented rather than respecting other forms of life and the fate of future generations.	Only strict regulation asserting public interests and conscious humility (see Vavroušek 1993) as a lifestyle can bring a turnover in the long-term perspective.
The irresponsibility of the political representation and the irresponsibility of citizens with regard to public affairs are reinforcing each other.	The ways to sever this negative bond lie in education and in the equalisation of the forms and frameworks of participative democracy, deliberative and direct democracy with a traditionally more developed (but insufficiently) representative democracy.

Source: Potůček (2010).

1.2.3. Networks of Actors

The third essential dimension of the concept of governance is networks of actors, networking. Networks enable and support the broad cooperation of a large amount of independent actors which is important for the attainment of their goals. Governance via networks depends more on information agreements, on motivation and skills required for effective cooperation, on:

“*agreement that we will agree*” (Gibson, Goodin, 1999). According to Rhodes (1997, p. 15) networks between organisations can rely on mutual dependence, exchange of resources, self-organisation, respect of the rules of the game and significant autonomy in relation to the state.

In this context we come across the term networked governance (Hecló, 1978; Rhodes, 1997; Castels, 2000). Kooiman (2003) also differentiates networks as certain types of governance.

Networks can arise in relation to individual political problems and situations (issues). If these are alliances of interest groups and individuals united on the basis of a common goal to warn of a certain problem in public policy and enforce its solution, then this concerns **issue networks** (Hecló 1995, p. 46). If they are related to certain public policies these are public **policy networks**. They can have different periods of duration.

A major characteristic of networks of actors is that they go beyond the limits defined by the two previous dimensions of governance. They can include actors from two or more levels of governance and can also be of a transnational character (Císař 2004). They can associate (and often associate) actors from the public, commercial and civil sector, and from the media.

The **media** in particular is constantly asserting itself more in the context of implementing new mass communication technologies in governance apart from the traditional regulators. And this is not only as conveyors of information but also as actors.¹¹

Test questions:

Why does the state still hold an exclusive position among further regulators (market, civil sector and media)?

Characterise the form and impacts of the corporative structure of relationships between the state and interest organisations.

Which levels of governance do we distinguish, how do they merge – and what organisations operate within them?

What rules are suitable for the public sector where the commercial sector is effective and where the civil sector works best? Why?

In what way does the position of national states differ today compared with their situation fifty years ago?

On what reasons is the assertion based that the market cannot be a universal regulator of the development of society?

Characterise the principles of the functioning, types and impacts of the implementation of the network of actors in public policy!

What are the key dimensions of the complex of governance – and how do they relate?

Explain the conditions of the origin, principles of functioning and instruments of the mafia.

¹¹ The role of the media as mediators and actors is dealt with in more detail in Chap. 2.1.

Why does corruption flourish in some countries whereas it does not represent a more serious problem in others?

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1. 3. Polity, Policy, Politics and the Functions of the State

The objective of this subchapter is to return – with reference to the classic division of the level of the political process – to the key functions of the state as the decisive regulator in public policy.

Keywords:

POLITY, POLICY, POLITICS, STATE AND ITS FUNCTIONS

Example 1.10: English is the most widespread language of science and therefore offers the necessary distinction in the form of appropriate terms. If we want to communicate in Czech, we often have no option than to adopt English terminology, because any translation into Czech would either be inaccurate, clumsy or both. This is also the case when making a distinction between *polity, policy and politics*.

The term ‘**polity**’ expresses general anchorage, focus of a given society described sometimes also as the ‘**choice of society**’ – choice of direction and nature of its fundamental direction (Roebroek, 1992).

The nearest to the term ‘**policy**’ in Czech is the term **public policy**.

The term ‘**politics**’ describes the processes of clash and consensual solution of interest conflicts of actors through political institutions.

Hence, a misunderstanding also arises because the Czech term ‘politika’ is indiscriminately used to mean ‘policy’ and ‘politics’. Unlike ‘politics’, for which clashes of power are typical, ‘policy’ as nicely expressed by Aaron Wildavsky (1979), is a cause in itself ... Thus it is desirable where materially orientated policy is concerned to always use in specialised communication the term “public policy’ and to reserve the term ‘politika’ to mean ‘politics’.¹²

Fiala and Schubert (2000, p. 19) attempted, albeit at the expense of great simplification, to explain the meaning of all three terms in one sentence: “*The political order consists of a framework (polity) in which material policy emerges on the basis of political conflict and consensus (politics).*”

Table 1.4: Try and place next to these terms in the table the following examples: introduction of a tuition fee at universities; adoption of a new constitution; rejection of a proposed state budget in parliament.

Polity	
Policy (public policy)	
Politics	

Functions of the State in Polity, Policy and Politics

A distinct change in the position of the state or bodies of state administration as the executor of public authority in recent decades relates on the gradual transition from an authoritative and hierarchical-based and power monopolising state to a **regulatory state** (Majone, 2006, p. 234), which is delegating an increasing part of its traditional agendas either to a different level of governance or to entities of the market or the non-profit sector.

In public policy we also come across terms of a **weak and failing state**. It describes a situation when the national state is unable to meet its basic functions, above all ensure the security and basic living needs of citizens and at least an elementary degree of abiding by the

¹² The designation ‘politicking’ can also be used for some particularly debased form of political negotiation.

law. The government loses its legitimacy, society is breaking up and internal conflicts are escalating (Rotberg, 2002). Successor state systems can emerge and an external aggressor can exploit the situation to its advantage ...

Functions of the State in *Polity*

The **Constitution, laws and related sub-statutory norms** come closest to the level of **polity**. The state develops a constitutionally legal framework of the functioning of society and ensures that it is observed by the other actors.

The constitution and laws create a hierarchically complicated structured and ever developing system. It needs to be either respected in the analysis and conception of public policies or – if it were to prevent the realisation of definable legitimate goals – adapted. Changes at the level of **polity** can arise and also arise at a time of major political upheavals and power takeovers such as wars, revolutions or the breakup of states and rise of new states.

Functions of the State in *Policy*

The decisive part of the functions of states takes place on the field of **policy**, i.e. **public policies**. These are above all the following functions:

- Safeguarding of internal and external security;
- Determining an institutional framework and support of economic activity;
- Safeguard of public social services (social safeguard, healthcare, education, culture, physical education and sport, public transport, research and development, public (law) media activity, etc.);
- Environmental protection.

Of these functions the most important are economic functions.

Economic Functions of the State

Opinions about what the state, as an economic entity, should do when and how to intervene, what to strive for and so on, fundamentally differed and differ. For example, the redistribution function arises and is generally accepted until relatively late, it basically emerged in the 19th century. The stabilisation function came even later. On the contrary, the state acted as an allocating entity (often in its time immense) of economic resources since time immemorial. It is remarkable how many present activities performed within the public sector were already performed by the ancient rulers in their empires. They built roads, created a professional and well organised system of public administration and had statistics, records and land registers kept. They invested in extensive irrigation systems, fortifications, temples and pyramids. They equipped the army, supported scholars, organised cultural and sport enterprises, and dispatched diplomatic missions.

Samuelson and Nordhaus (2008) speak of three economic functions of the state. This involves support of efficiency, justice and stability. All economic literature devoted to the economics of the public sector and public finances share this approach (Stiglitz, Musgrave, Rosen). If is here that we talk of:

- ALLOCATION function
- (RE)DISTRIBUTION function
- STABILISATION function

State interventions directed at supporting the efficiency of the allocation of precious resources are attempting to correct the so-called failure of the market (existence of monopolies, externalities, public goods...). We consider the allocation function to be the central theme for public economics. The state influences (alters) the allocation function by a resulting allocation of resources as opposed to how this would take place if the allocation decision would be carried out by individual private owners of the resources.

Justice (regarded as so-called distribution justice, i.e. a desired state of the distribution of pensions and wealth in society) is influenced by the state in many forms, typically through tax policy, providing transfers (e.g. social benefits), or expenditure policy (see free provision of some goods and services when the goal is not “to correct market failure” but to support some groups of the population, and ensure equal opportunity, etc.). The concept of justice as understood by various people of how it is reflected in political conceptions, ideologies and economic schools must differ significantly.

As part of its stabilisation function, the state attempts to come to terms with extremes of the economic cycle, limitation of inflation, avoidance of unemployment and support of economic growth. Macroeconomics and economic policy deals traditionally with these issues.

It is worth mentioning that the actual division into the allocation, redistribution and stabilisation function arises from observation of real phenomena in the economy. We move around constantly in the area of *positive economics*. The very considerations about where lies the best, optimal level of ensuring this or that function falls to normative economics and are strongly subjected to value preferences.

Generally it can be stated that the state’s functions can be considered on a positive level and a normative economic analysis. There is a big difference if we want to describe, systemise, analyse or predict what the state is or will be doing, or why it is doing something, or if we want to express our opinion about what and how the state should be doing it. It is even more difficult that real state interventions are the result of the free, intentional activities of people which, inter alia, means that they are steered from the very start towards some goals and are guided by certain value preferences. Their essence is that they should achieve or change something.

Functions of the State in *Politics*

If we leave aside totalitarian and other authoritative regimes, the state should, in an ideal case, be an impersonal mediator of the will of its citizens. Of course we know that this mediation is not easy. Here the state comes up against many obstacles – both technical and generated by the input and implementation of partial interests. (Arrow, 1968) What is fundamental is the way it acquires and implements by executive (or legislative and judicial) authority its mandate.

Table 1.5: **Forms of democratic mediation of interests**

Instruments of Mediation of Interests	Type of Democracy
Elections	representative democracy
Activity of advocacy non-profit organisations	participative democracy
Tripartite	corporative democracy

Plebiscite, referendum, petitions	direct democracy
Public debate, public hearings	deliberative democracy

Source: authors.

The Electoral System and its Impact on the Mediation of Interests

An important role in a democratic order is also played by the electoral system – which is a complex of rules and mechanism on the basis of which the will of the voters expressed in elections will change in the mandate for individual political parties or candidates.

There are a number of electoral systems and their list exceeds the scope of this textbook, nevertheless usually the following five basic attributes of the electoral system is presented which influence the way they act:

1. form of the candidate list;
2. size of the constituency;
3. electoral formula;
4. closure clause, quorum;
5. number and character of the level of constituencies and scrutiny.

It was only in 1963 that Arrow showed that principally every voting rule can, under the same initial conditions (method of voting, preferences of the voters, programmes of the parties or candidates) produce different results. Given that the voting rule is only one of the (significant) parts of the electoral system, it is evident that the actual form of the electoral system may, in some cases, significantly affect the way in which interests are displayed in public policy. Cases can be found in the real policy of many countries when (albeit unintentional) manipulation with some of the parts of the electoral system (size of the constituency, quorum) resulted in significantly different election results and therefore in a different form of implemented policy.

Example 1.11: Discussion of the Form of the Czech Electoral System

The potential impact of the electoral system on public policy can be observed on the example of the Czech Republic. During the elections to the Chamber of Deputies (Parliament) a proportionate system is enforced with the classic d'Hondt conversion of votes to mandates. In almost each elections since 1996 the citizens of the Czech Republic were confronted with the result of the elections which did not allow a government with a strong (or even any) majority. The result was weak, mostly minority government little able to implement their intended policy.

In 1998 the first proposal for a change to the electoral system was submitted changing the size and number of constituencies just as the method of counting the votes. The proposal was finally rejected by the Constitutional Court of the Czech Republic and in the years to follow it was no longer able to create an adequate coalition of votes for such a change. This is logical up to a certain extent because the impact of the abovementioned parts of the electoral system is in many ways conflicting and therefore difficult to predict.

Similar discussions just as in the Czech Republic are held in other countries. For example, Italy, which is known of the instability of its governments, recently introduced the so-called bonus for election winners.

In some cases the ruling politicians are accused of intentionally manipulating the form of the electoral system so that they can be re-elected.¹³

The conception or realisation of public policies is not possible without mediation of **state organisational structures**. Here it is at least necessary to perceive the:

- division of state administration into the legislative, executive and judicial components;
- territorial division of the state (centre, regions, municipalities, possibly other territorially defined administrative units such as Euro regions or association of municipalities);
- division of public administration to state administration and territorial and interest self-government;
- division according to functionally specialised state administrative units, above all according to ministries as defined by the valid version of the Competence Act No. 2/1989 Coll.

The principal instrument of the realisation of the public roles of the state is public administration.¹⁴

Test questions:

Characterise the differences between polity, policy and politics. How do we translate these terms into Czech?

What are the forms of democratic mediation of interests?

Name the key functions of the state at the level of public policies and characterise the possible consequences of their neglect in a long-term perspective.

Provide examples of the input of the agenda of politics into policy and vice versa – input of the agenda of policy into politics.

What principal contexts can you identify among electoral systems and public policy?

1. 4. Values, Ideology, Criteria

The objective of this subchapter is to itemise the anchorage of public policy in the field of values, role of political ideologies in decision-making and implementation of differentiated criteria in the process of shaping and realisation of public policy.

Keywords:

VALUES, POLITICAL IDEOLOGY, CRITERIA, HUMAN RIGHTS, SOCIAL STATE, QUALITY OF LIFE, SUSTAINABILITY OF LIFE

¹³ In recent years, for example, discussions have been held on the purposeful change of the electoral system in Hungary, see for example Jan Šmíd's article in Lidové noviny of 15 April 2014 http://www.vsfs.cz/soubory/media/ln_20140415_smid.pdf.

¹⁴ For more see the following Chapter 2.

Social sciences and values are like single-egg twins. Whoever offers the results of their research in the garb of impartial and unquestionable scientific truth, whether a sociologist, economist or political scientist, he who is convinced that in his research he has become extricated from the confines of values is more a slave of his inherited tastes... If this is the case, can there be any point to scientific research? Decidedly so. Of course, while meeting two preconditions. We have to observe all the rules, respect all limitations and also make the best use of the possibilities of knowledge which our science offers us. But we must also be aware of the value anchorage of our scientific work and not be constrained and espouse to it everywhere where it is necessary.

This applies all the more to public policy as a scientific discipline – whether as social practice or as a scientific discipline. Public policy as social practice is directly charged with values and its analyst and maker, whether he wants to or not, ends up in the centre of the clashes of values (Theodoulou, Cahn, 1995). There will be more discussion about this at the end of this chapter.

Values are projected into the definition of social problems followed up by public interests into the content of ideologies, public political doctrines, programmes and norms. They affect the choice and ways of using public political instruments. They orientate the activities of actors. They enter the processes of upbringing, indoctrination or conviction.

A more general need of human communities to coordinate the actions of individuals and groups and predict the reactions of other participating actors (...and thereby reduce the transactions costs of these actions, as an economist would add) is projected into the value anchorage of public policies. Public policies must consider the field of values of specific participating actors, but often – for example with reference to the implementation of the general criterion of the quality of life or human rights – they surpass them. Various more specific normative models, inspired thanks to social philosophers, political ideologies or direct interests of interested actors, co-exist, compete and pervade in public policy as a scientific discipline (and more so in social practice). The distinction of the levels of scrutiny into *polity*, *policy a politics* can bring more light into this entire complicated issue. All are inseparably connected with values.

Values in *Polity*

The value anchorage of public political is functions of the more general need of human civilisation to coordinate the actions of individuals and groups, and predict the reactions of other participating actors (... and thereby reduce the transaction costs of these actions, as an economist would add).

Shared values have been part of human behaviour since time immemorial. Even the hunter-gatherers who lived 30 to 20,000 years before the Common Era followed general norms of behaviour regulating the ways to deal with fundamental life situations: finding food, moving around in a space, protection against natural elements and external danger, sexual and family life. Later a written (albeit not always explicitly expressed) codification of these rules and values appeared.

Example 1.12: Written codification of value systems
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Code of Hammurabi (1686 BC), Talmud, Bible, Koran, Declaration of the Rights of Man (French Revolution, 1789), Universal Declaration of Human Rights (UN, 1948), Charter of Fundamental Rights and Basic Freedoms (Czech Republic, 1992), EU Charter of Fundamental Rights (2000, 2009).

Human Rights

Europe was influenced by the development of values since the time of Mesopotamian culture throughout antiquity, Christianity and the Enlightenment to the Modern Age. The modern age, inspired by renaissance humanism, enlightenment and liberalism, was a fundamental turning point, in comparison with the Middle Ages, in the sense of the recognition of the universality of human rights. This concept, which did not begin to be applied more often until the 20th century, has its predecessor in the concept of natural rights. The first theoreticians of natural right (Grotius, Hobbes, Locke) especially emphasised the right to freedom and property. A projection of the concept of natural rights into political documents was the American Declaration of Independence of 1776 which states: *“we hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness”*, and the French Declaration of the Rights of Man of 1789, speaking of natural, unalienable and sacred rights. Let us recall the slogan of the French Revolution: liberty, equality, fraternity. From here is the direct path to various declarations of human rights of which the most important is the Universal Declaration of Human Rights adopted by the United Nations General Assembly in December 1948.

Human rights can also be derived and defined according to which human needs are perceived and recognised as fundamental.

Marshall (1963) offers the following explanation of the development of modern states: an elementary form of human equality associated with the full participation of the individual in the life of the community. This equality is not incompatible with economic inequality. It is therefore necessary to expand the concept of a citizen's rights to encompass three components: civil, political and social. **Civil rights** associated with individual freedom – personal protection, freedom of speech, thought and belief, rights to own property and enter into agreements, and ensure equality before the law, i.e. right to a fair trial. **Political rights** make it possible to participate in the decision-making of society in which an individual lives. For example, in the systems of a functioning representative democracy, either in the role of who elects their representative to political bodies, or in the role in which he is personally elected. **Social rights** ensure equality of opportunity, above all the right to participate in the use of the social heritage of a given society and the right to live a human dignified life conforming to the standards prevailing in the given society. While as Marshall claims, civil rights were shaped in the 18th century and political rights in the 19th century, the 20th century was marked by the shaping of social rights.

Table 1.6: Development of human rights

Stage of the formation of national states	18 th century	19 th century	20 th century	21 st century
Content of human rights	* civil rights	+ political rights	+ social rights	+/- ?

Source: author according to Marshall, 1963.

Nevertheless, the UN Universal Declaration of Human Rights included **cultural rights** in its list of human rights which ensure equal access to culture and the possibility of taking an active part in it.

Diversification and definition has been typical for the development of the concept of human rights and its implementation in public policy since the end of the Second World War. Among the typical examples of such definition and implementation is gender equality, i.e. ensuring equal opportunity for men and women. A rich agenda is the shaping and implementation of the rights of minorities – for example, national, religious or sexual. But we also come across equality of rights, shaping and implementation in various life situations – for example, the rights of children, patients or customers.

Today human rights are clearly codified in the constitutional orders and legal systems of all democratic countries; the Council of Europe and European Union also ascribes great importance to them – not just by declaring them, but also by their practical enforcement. Human rights therefore create some sort of criteria core of many practically operated public policies. However some authors¹⁵ “rightly” warn of the danger of a unilateral emphasis on the law without appropriate attention devoted to the other side of the coin – responsibility.

On the polity level, the prominent Czech environmentalist, theoretician of management and also the first post-November Federal Environment Minister, Josef Vavroušek, also entered the discussion about steering the European civilisation. Shortly before his tragic death (he was killed with his daughter by an avalanche in the High Tatras in March 1995) he designed ten of the most important values relating to unsustainable trends of development and allocated ten alternative value approaches to them compatible with sustainable living (Vavroušek 1993, reprinted in Potůček 2010, pp. 28–29).

Political Ideologies

Opinions of the directions that societies should take and what they should strive for are naturally different. These differences are projected into different **value orientations** and find their expression in competing **political ideologies**.

Our society is characterised by the plurality of opinions about what is and is not right and desirable – and we have many reasons to believe that this plurality is the bearer of the required breadth of possible choices and adaptabilities in difficult situations. On the other hand, every society needs a certain common denominator, a sort of common criteria anchorage which would facilitate communication about what still is and what no longer is in

¹⁵ For example Giddens (1998).

the public well-being or public interest which would give various choices a purpose which citizens and politicians face and which would finally guide them in decision-making situations in which they find themselves every day. Otherwise there is a danger of its collapse.

“Last but not least, political ideas and ideology also act like a social bond because they provide groups and virtually all societies with a certain set of unifying opinions and values”. (Heywood, 2005, p. 21)

Just as every society so every public policy as a social practice requires integrated value anchorage of public interest. Such integrated values systems are **political ideologies**. Gramsci (1994) characterises them as aids mediating a link between abstract philosophical concepts and real political environments. Mannheim (1991) understands ideology as systems of values and preferences that arise and are implemented during the assertion of the interests of various social groups in practical policy. They confirm and protect the position of the relevant actors who use them to address the public. Bauman (1999) defines them as a set of normative ideas defining the ideal of society. Their goal is to gain support for achieving this ideal. The mentioned authors agree that these are relatively general and integrated interpretations of the problems of society, their cases and possible tie into various interests of the people. However, to a certain degree, they also include what could be described as the interests of the entire community, in short, **public interests**.¹⁶

Political ideologies may, on the one hand, be an essential part of communication in political discourse – they allow the identification of political standpoints and priorities, but they are also a strongly simplified framework of understanding and interpretation of social reality – and therefore also an instrument of possible misunderstanding and a potential initiator of decisions and deeds, disproportionate to the nature of problem situations.¹⁷ It is here that the merits of a plural political arrangement and the possibilities of an open clash of interests will appear and possible distortions and deformations can arise, escaping the attention of their bearers, revealed even earlier than when the genie is actually let out of the bottle. Room opens up here to necessary changes and corrections of existing ideologies caused by the emergence of new, earlier unknown or, for various reasons, overlooked problems.

Various political ideologies co-exist, compete or pervade in public political practice that are inspired either by the work of any of the influential social philosophers or direct social practice, but universally by both.¹⁸ They operate in a field generated by key problems of contemporary societies. But all offer recipes of how to balance out the tension between economic growth, prosperity, emphasis on the market and deregulation, on individual development and limitation of the role of the state to one side – and emphasis on social justice, equal opportunity, social cohesion and support of the social state on the other side. Although this tension and the method of its solution in contemporary societies is still the main public policy topic, it is far from the only one. Problems of the environment, security, family crisis, migration and the like are also coming to the forefront of public policy discourse.

Extensive literary works are devoted to the problems of political ideologies (Kiss 1998, Heywood 2005, Stankiewicz 2006, Lupták and Prorok 2011). Here we offer only brief initial

¹⁶ For example Weiss (1983) offers three explanatory factors affecting public policy decision-making: ideologies, interests and information (*Ideologies, Interests and Information*. Hence the naming of *Theory Three I: I-I-I*.)

¹⁷ For more see Mannheim (1991).

¹⁸ Cf also Weimer – Vining (1992), Lane (1993).

characteristics of those that have asserted themselves in modern history including their individual offshoots.

Table 1.7: Characteristics of influential political ideologies

Liberalism	Emphasis on the freedom of the individual to assert his civil and political rights, emphasis on negative freedom (freedom from...), state as a “night watchman”, integrity of private ownership.	
	Social liberalism	It recognises the importance of positive freedom (freedom for...) and the role of the state in the management of the economy (Keynesianism).
	Neo-liberalism	It minimises state intervention, maximises the market’s regulatory roles.
Conservatism	Preferences of traditional historically proven institutions, hierarchies and authorities: state, church, family; integrity of private integrity.	
	Authoritarian conservatism	Authoritarian political system.
	Paternalistic conservatism	Implementation of institution mediating between the citizen and state; social corporativism; support of subsidiarity, decentralisation.
Socialism	Human emancipation, positive freedom (freedom for...), social/joint ownership of means of production.	
	State socialism	Authoritarian political system, planned economy.
	Democratic socialism/ communitarianism	Accepted representative democratic system, mixed economy.
Environmentalism	The teaching of the reverence for life (Albert Schweitzer ¹⁹), regard for the environment, sustainable development of human civilisation, holism.	
Nationalism	Political and economic self-determination of the national community.	

Source: Berlin, 1958; Hayek, 2006; Heywood, 2005; Schwarzmantel, 2008.

Table 1.8: Characteristics of current peripheral political ideologies

Totalitarianism	The social unit is superior to individuals who have to conform to it	
	Nazism	Racial supremacy, loyalty to the Leader
	Fascism	Ultranationalism, subordination of state corporations
	Communism	A classless society, “everyone according to their needs”

Source: Griffin, 1995; Heywood, 2005.

¹⁹ Thinkers considering the fate of humanity in-depth and in all its consequences, conclude that the term of sustainability of life cannot be applied just to our species. One of them, Albert Schweitzer, wrote the teaching of the reverence for life – understand all that lives on our planet. According to his teaching, humanity behaves not only unethically, but also unreasonably if, as an outcome of its activities, a constantly increasing part is being systematically destroyed of the existing terrestrial biosphere gene pool emerging through hundreds of millions of years of evolution.

Projection of Political Ideologies into the Form of Institutions – Example of a Social State

Political ideologies were, are and will also be an instrument of political struggle whose result is projected into public policies and institutional frameworks. This can be illustrated on an example of various types of social state.

Example 1.13: The social state²⁰ is a state in which the idea that social conditions in which people live is not only the affairs of individuals or families but also public affairs enforced in the laws, awareness and attitudes of the people, in activities of institutions and in practical policy. Each one of its citizens receives at least certain recognised minimum support and assistance in various life situations which threaten them or their family (potentially or currently) (Potůček, 1995, p. 35).

According to what today is the classic typology of social states of Esping-Andersen, social states can be divided into liberal, conservative and social democratic (in the context of the ideology of democratic socialism).

Table 1.9: Characteristics of principal types of welfare states

Characteristics → Type ↓	Decommodification (degree of free provisions of social services)	Basis/ determinants	Key service availability criterion	Consequences	Social structure of society
Liberal/ Anglo/Saxon	Limited benefits, selectivity ensured by income testing	Hegemony bourgeoisie, strong liberalism	Necessity	Polarised growth of employment with weakening middle class, strengthening of class differentiation	Splitting of society - Public aid to the “really” needy - Private aid of the middle class to itself
Conservative/ Continental Europe	Generous, broad approach, nevertheless based on contributions	Class compromise without clear hegemony and strong Catholicism	Work performance and classification into work category	Problems with employment: social support “without work”; family support; segmentation into secured/unsecured	Status subject to fragmentation (status barriers between various groups of workers)
Social democratic/ Scandinavia	Very generous, universal approach	Dominance of trade unions and hegemony of social democracy	Citizenship	Expansion of public social services; support of individuals	Universal- egalitarian (supporting solidarity)

Source: Authors (Potůček).

²⁰ I prefer the longer, but more accurate name *state of public social services*.

Extensive criticism of this typology led to its expansion by further types. For example, by the **Latin type**²¹, characterised by the absence of a clearly designed social minimum, considerable demands on care ensured by the family (above all by women) and the fragmented social structure, and better suited to South European women. We can classify social states according to how big a role they ascribe in social services to the public sector, family with state aid or the family alone. The **radical type** guarantees income via market regulation (wage regulation, employee certainty), marginal access to social care and a strong role of income testing (Australia, New Zealand). The **feminist movement** also offered its view based on the endeavour to incorporate gender into the typology of the social state.

The specific form of social policy of a given country resembles, without exception, a mosaic consisting of various elements adopted from this or that type of social state.

Example 1.14: In Great Britain healthcare is organised and offered by the National Health Service (financed from taxes) to all without difference. It represents the social democratic element in a mostly liberal Anglo-Saxon social state.

Nevertheless, even in a similar mosaic it is not difficult to monitor the prevailing features, imprints implemented by political ideologies dominant in the given country in previous years and decades...

Besides political ideologies, more specifically designed documents can also influence the form of social states. A frequent and rightly mentioned example from history is the encyclical of Pope Leo XIII “*Rerum Novarum*” of 1891, devoted to social issues associated with the rights and responsibilities of capital and labour. A recent example from our country is the “*Social Doctrine of the Czech Republic*” of 2001, an academic document offering politicians a value anchor for long-term, conceptually developed social policy reducing the risk of unnecessary fluctuations caused by alternating political representations (Social Doctrine of the Czech Republic, 2001).

Values in Policy

It is above all in connection with the global crisis at the end of the first decade of the 21st century that since this time the most frequently used indicator of economic and social progress, the gross domestic product (GDP) of a given country is abandoned. The so-called Stiglitz Report, drawn up at the incentive of French president Nicolas Sarkozy, concluded that the gross domestic product is unsuitable for assessment of the success of individual countries, and proposed replacing it with indicators capable of expressing a broader complex of the living conditions of its citizens (Report 2009).

Example 1.15: In an international comparison, the indicator is used as proposed by the United Nations and is called the Human Development Index (HDI). This includes among partial criteria, the Gross National Income (GNI) instead of the Gross National Pension, and life expectancy at birth and standard of education of the population of a given country. The Human Development Report (2010) is based on more elaborate indicators: the general rate of inequality in individual countries, rate of gender inequality or multi-dimensional poverty index are also projected into Human Development Index.

²¹ In English ‘*Latin Rim Model*’.

Example 1.16: In its decision-making, the Bhutan government implements the **Gross National Happiness Index (GNHI)**. The philosophical basis of this approach is Buddhism and came under the political auspices of Bhutanese King Jigme Singye Wangchuck in 1972 with the following declaration: “*Gross national happiness is more important than gross national product*”. The index is established on four pillars: sustainable development, cultural values, environment and good governance. It includes eight sources of human happiness:

- Physical, mental and spiritual health
- Balance between paid and unpaid work and rest
- Active life in the community
- Cultural diversity and resistance
- Education
- Standard of living
- Good governance
- Life in nature and with nature.

Measurement via this index meets all traits of serious scientific research. The governments of Nepal and Singapore have decided to take a similar direction.

Criterion of Quality and Sustainability of Life

In the Czech Republic it is the Centre for Social and Economic Strategies (CESES) of the Faculty of Social Sciences at Charles University that is engaged in the problems of criteria anchorage of public policies in prospective future threats and development of opportunities of the country. **The life quality and sustainability criterion** was proposed in its works (Potůček, Musil, Mašková, 2008).

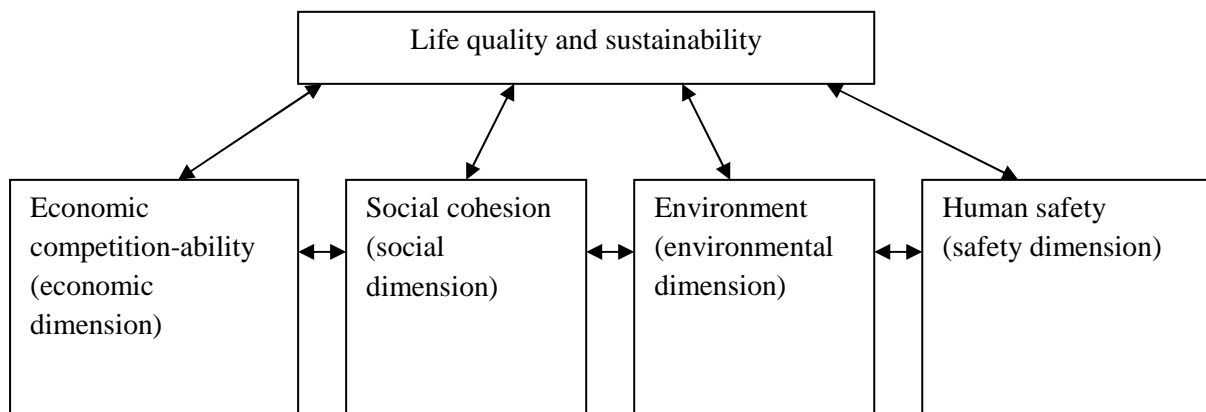
The quality of life describes the objective situation of people and simultaneously their subjective perception of the given situation. This is a multi-dimensional concept including all fundamental characteristics of individual human life relating to the general level of the well-being of individuals living in a given society.²² On the other hand, **life sustainability** cannot be applied to the fate of mortal individuals in the field of science; it relates to the future life of entire human society and its living conditions. In this sense, the meaning of the terms life sustainability and sustainable development is very similar, if not identical.

Example 1.17: The relationship of life quality and sustainability can be presented, on a hypothetical example of the behaviour of a group of people, on a small island completely isolated from the rest of civilisation. These people can significantly raise the quality of their current life by the unlimited consumption of all available resources (above all of plant, animal and mineral origin), nevertheless with fatal consequences for the possibility of their survival in the long-term perspective (above all as a consequence of the extinction of vitally important plant and animal species). If they will not be able to limit their present consumption so as not to undermine the reproduction capacity of the environment in which they live, they will condemn their small island civilisation to its end in the near of more distant future.

In this concept the life quality and sustainability criterion can be specified in several dimensions: economic, social, environmental and safety. In this connection, we can also speak of pillars from which the quality of life and its sustainability grows. In terms of prognostic and strategic considerations, their correlations and mutual conditionality also understandably have their important place.

²² The quality of life is defined in the latest approaches as a combination of objective human living conditions and how we perceive and value them. For more see, for example, Heřmanová (2012).

Fig. 1.2: Criterion of Quality and Sustainability of Life and its Dimensions



Source: Potůček, Musil, Mašková (2008).

Values in *Politics*

After November 1989 many Americans worked in the Czech Republic who were fascinated by the social rebirth of the country and attempted selflessly to offer it their knowledge and experience. One of them was Brack Brown, who worked at the Faculty of Social Sciences of Charles University. He contributed to the establishment of the field of public and social policy, and became the co-author of the first public policy textbook published in Central and Eastern Europe (Potůček, LeLoup, Jenei, Váradi, 2003). Its chapter on ethics in public policy was later translated and incorporated into the first Czech textbook of the field. It also contains the following statement from his pen:

“The ethics of public policy is far more than whether politicians also consider ethical values in their decision-making. Each aspect and every stage of public policy can affect ethics and all the participating actors must deal with ethical issues, advisors, analysts and those who make the decisions, administrators and people who assess policy and bear ethical responsibility. They are responsible for their actions in the role of public representatives, for methods which they apply, for what they focus on and for the results of policy.” (Brown, 2010, p. 379)

With reference to this chapter, we will only present examples of value conflicts in which two actors can find themselves in public policy: MPs and consultants – analysts of public policies.

Example 1.18: Members of Parliament

Value contexts that can affect the decision-making of an MP:

- Own conscience (internalised values);
- Public interests expressed, for example in common programme documents (government policy statements, a political party programme);
- Group interests (lobbying, corruption);
- Benefit of own political party and/or damage to other political entities;
- Own benefit.

Example 1.19: Consultants – Analysts of Public Policies

Consultants can enter several roles (which can overlap, complement or contradict each other):

- Independent experts, public policy technologists attempting to find the best solution based on the goal knowledge of science²³;
- Advocates of the solution of social problems as they personally perceive them;
- Allies of sponsors attempting to serve them and their goals.

If there is a value conflict between the sponsor and consultant, it can be dealt with through discussion and finding a bilaterally acceptable solution with the termination of the contract, but sometimes also by ‘treason’, i.e. the publishing of facts that the sponsor wanted to conceal.

However it is true for individual experts and more so advice centres (public policy *think tanks*) that competency and credibility credit is difficult to acquire and is easily lost.

Obviously not even officials are spared such and similar value conflicts. Numerous cases of corruption indicate this. Here is where specific persons fail ethically. But corruption is often the consequence of the failure of ways in which people were elected to given places and laws full of loopholes. One of the instruments used in an attempt to suppress the abuse of corruption in public administration is the adoption of **ethical codices**. Similar ethical codices are also drawn up for their members by professional associations (lawyers, doctors, journalists).

Test questions:

Provide examples of changes in the anchoring of values of public policies after great historical political traumas (wars, revolutions)!

Why is the gross domestic product (GDP) no longer a suitable key indicator of the development of individual states?

In what way do the value contexts of polity, policy and politics differ?

Explain the relationship of values, political ideologies and criteria in public policy.

State the advantages and weaknesses of the implementation of political ideologies in the policy process!

Characterise the various currents inside influential political ideologies – liberalism, conservatism and socialism!

On what does the criticism of Esping-Andersen typology of welfare states focus?

What alternatives to the gross domestic product (GDP) is offered for measuring the development of individual states?

²³ Nevertheless we already know that such an approach is illusory. It is always fitting to express the anchoring of values which lie in the foundations of the submitted public policy analysis or proposal.

How do the quality and sustainability of life relate?

What value conflicts can be projected into the decision-making of members of parliament?

Recommended reading:

Bauman, Z. 1999. *In Search of Politics*. Cambridge: Polity Press.

Brown, B. 2005 (reedice 2010). 'Etika a tvorba veřejné politiky ve střední a východní Evropě'. Pp. 353-383 in Potůček, M. a kol. *Veřejná politika*. Praha: Sociologické nakladatelství (SLON).

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1. 5. Public Interests and Public Policy

The objective of this subchapter is to clarify why the term public interests is crucial for understanding the problems addressed in the field of public policy. This is followed by a brief recapitulation of the development of public policy as a scientific discipline and social practice.

Keywords:

PUBLIC INTERESTS, PUBLIC POLICY

Politicians and officials deal with problems whose solution is definitely not plain enough on a daily basis. Is it sensible to introduce compulsory vaccination of children against transmittable diseases? Children cannot express their own opinion and parents tend to be against! Will we break the limits of surface coal mining? Will it bring new jobs and cheaper fuel, but eradicate human settlements existing for centuries from the map! Should we build nuclear power plants? We do not know how to permanently store nuclear waste safely! Is it worth building more nursery schools or support industrial innovations? Should we increase pensions or salaries of civil servants from the limited state budget? Or increase child benefit?

Before attempting to answer such questions we should first clarify how to define public interest.

What are public interests?

The doyen of American political science, Walter Lippman, presents the following definition of public interests: “*It is believed that adults share the same public interests; however public interest merges and sometimes contradicts their private and special interests. If this is the case, it can be said that public interest is evidently what people would choose if they were to see clearly, rationally, act without bias and with good intentions.*” (Lippman, 1955, p. 42) The term ‘public interest’ has an unquestionably descriptive strength, but it also has a strong value charge although it is not an altogether clearly defined and rationally deducible term in strictly exacting terms. Therefore perhaps the term ‘public interest’ is not too common in purely economic literature. In his time Vitek (1997) noted that the renowned *Journal of Economic Literature* does not directly mention any publications about this problem.

As Lane (1993) points out, there is constant tension between the meaning of the term ‘public’ and the term ‘interest’ related to the individual. Some theoreticians applying methodological individualism and philosophical objectivism therefore reject the term public interests as wholly misleading (Kinkor, 1996). Neo-classically focused economists design this in the same way. For example, Buchanan (1998) states that the group (i.e. not even the ‘public’) does not have the ability to feel any need, is not able to have any interest. Interests and needs are felt solely by individuals and do not prevent several individuals, many or even all members of a certain group having the same interest.

Example 1.20: Procedural and analytical approach to the definition of public interests.

The procedural approach to the definition of public interests conforms in democratic society with certain rules of how to hold discussion about what public interest is or is not, how to reach agreement over such a definition and how to implement and protect public interest in practice. The municipality, institutions of civil society, law and state offer such procedural mechanisms for articulation, aggregation and coordination, even the realisation of partial interests into the form in which it is useful to speak of public interests. Of course, the complication is significant due to the projection of the specific interests of politicians, officials, representatives of various interest groups, i.e. those who directly contribute to the articulation of these interests. The definition and implementation of public interests is becoming the subject of negotiation and sometimes also a social and political clash. This is a living historical, social and political process. Conflicts naturally appear of variously defined ‘public interests’ tied to interests of various communities or social groups.

The analytical approach to the definition of public interests is based on their characteristic common traits:

- They concern the quality of life of the citizens of a given society or other values that the citizens consider important.
- They can be related to the quality or impacts of the functioning of society as a whole.
- They are historically subjected to stages of the development of civilisation and can change.
- They enter a field in which they clash with differentiated individual, group and institutional interests and are identified, designed, recognised and realised here. Adopted decisions affect the way of creating, distributing and use of public goods, affect the quality of life of big social groups and satisfy the functional needs of the entire society
- They concern current social problems or the possible future.
- Their realisation often exceeds the competence framework of one institution or an entire department.

In terms of practice, it is also useful to learn to distinguish (just as for the abovementioned category of utilities), whether individual actors of public policy consider public interest **objectively existing**, i.e. something that is here regardless of what people wish, think or agree upon, or whether they work with it as with a **subjective category**, i.e. a public interest becomes what people agree upon. If nothing else, it helps in searching for possible compromise solutions and the creation of consensus.

The well-being of the social whole is influenced by the context of competing value orientations or vision of the world. Therefore the position of man in this whole is defined in various ways. Differences in the value anchorage of various **public policies** also arise from this.

Example 1.21: In parliamentary discussions about the form of the state budget there is often a clash between ‘savers’ who identify public interest with the balancing of incomes and expenses of the state budget and ‘investors in the future’ who regard public interest, for example, in the support of education and science, even at the expense of a budgetary deficit, about which they claim that greater support of education and knowledge brings its fruits in future...

Public interests can be implemented as a conceptual category above all in these types of pro-social political orientations and discourses which support the development of human communities and solution of their problems.

Example 1.22: An illustrated example of the birth, definition and enforcement of a new public interest on a global level are the conclusions which humanity deduced from the onset of totalitarian regimes after the First World War which neither the standards of international law nor classic political mechanisms of representative democracy at national level could prevent. This led to the hitherto biggest humanitarian disaster in human history – to the Second World War. After it an agreement was very quickly reached on the introduction of a newly defined public interest - common **human rights protection criterion** – to international (UN Universal Declaration of Human Rights of 1948) and European (the Council of Europe’s Convention for the Protection of Human Rights and Fundamental Freedoms of 1950) political documents.

Of course, public interests can also be generated by autonomous demands for the functioning and development of more extensive social groups that arise from the social division of labour and technological progress. They are also constantly more often exceeding the borders of individual states.

Example 1.23: The need to implement public interests exceeding the limits of one state arises, for example, also from the need to minimise the threat of a nuclear disaster; its avoidance being in the interest of all humanity.

Example 1.24: The historical conditionality of public interests on a given level of the development of civilisation can be documented on the example of safeguarding internet security, a public interest that did not exist before the internet existed.

A further example can be the building of a public road network due to the development of automobilism. Of course, this could come into conflict with group, individual or environmental

interests. Will we allow the building of a motorway through a nature reserve? Does the state have the right to expropriate private land lying on its route despite the owner's disapproval?

Many terms are related in content to the term 'public interest', albeit used in various contexts. The social teaching of the Catholic Church operates with the terms **general well-being, general good, common good**. Martenas (1991) applies the term **common well-being** as a superior term for public interest – in relation to ethics. Ochrana (1999) introduces the term **supra-individual interest**. The term **common interest** is used by the Lisbon Treaty of the European Union and is projected into the specific form of the regulation of various types of services at European level (Consolidated version 2010). To describe a deed to the benefit of some state community at the expense of a particular interest is also figuratively expressed in fiction as “making a sacrifice on the altar of the homeland”.

What is public policy?

Public policy is engaged in the processes of aggregation and harmonising partial individual, group and institutional interests in the identification, design, presentation, recognition and satisfaction of public interests – and therefore the solution of recognised social problems.

For example, in a situation when the opinion that well-functioning families is in the public interest prevails in society, the state articulates family policy directed at solving social problems due to the occurrence of dysfunctions of families or displays of their breakup.

Example 1.25: Significant distinction of public policy as social practice (*in the example of family policy*):

- Active versus reactive (*pre-marital guidance versus substitute family care*).
- According to the implemented regulatory principles or instruments (*family law, child benefit, pre-school facilities, parental training*).
- Global/European/national/local (*family policy is realised above all at national level, sometimes also at regional or municipal level*).
- According to the participating actors (*ministries, civil sector organisations providing services, the Church, schools, police, courts, family members*).
- According to material focus (*future families, families with unprovided children, families with a handicapped member, single-parent families*).

History of the Origin and Development of Public Policy as a Scientific Discipline

Public policy as a scientific discipline was constituted in the USA after the Second World War. In Europe it began to be enforced more significantly at the turn of the 1970s while continuing on here from the older disciplinary traditions of social policy. Incidentally, both fields share many research topics and a part of their methodological instruments. They began to develop from 1989 in the conditions of the Czech Republic.²⁴

Link to Other Fields

²⁴ The work of Potůček (2007) and Novotný (2012a) deals with the development of the study of public policies in the Czech Republic.

We include sociology, economics, political sciences, public administration and control theory among the fields that have enriched public policy the most.²⁵ This list can also be expanded to include the broader framework of philosophy, history and political lessons of the past, anthropology and the importance of culture, demography and their analyses and forecasts of the trend of human population or natural and technical sciences contributing to the understanding of health policy, energy policy or environmental problems. A specific feature of public policy is that it implements these disciplinary inspirations by using its own theoretical foundations and methodical instruments so that they directly contribute to the analyses and proposals of resolving social problems, which none of these disciplines alone would be able to recognise and resolve.

The interdisciplinary nature of public policy is illustrated by the following table:

Table 1.10: Disciplines and topics related to public policy

Discipline	Examples of topics
Sociology	understanding society as a whole, class social structure, social status, social problems, social interests, social exclusion
Economics	instrumental rationality, institutional economics, cost-benefit analysis, political economics, economic policy
Political science	political processes, political institutions and actors
Public administration	role of bureaucracy in shaping policy and in decision implementation
Jurisprudence	law as normative and regulatory framework
Control theory	decision-making processes and decision realisation
Philosophy	logic, values and ethics, theory of justice

Source: Potůček et al. 2010, p. 11. Adapted and expanded.

Definition of the Term

As has already been pointed out, the term ‘public policy’ is used in two basic meanings - to designate scientific disciplines and characterise public policy practice.²⁶

Public policy as a scientific discipline elaborates and applies an interpretative framework of sociology, economics, political sciences, law, control theory and further fields for analysis and forecast of processing of shaping and implementation of **public interests** continuing on from the solution of differentiated social problems. At the same time, it is devoted to the institutional mediation of these processes through the public, civil and to a certain extent the commercial sector in such a way which is exploitable by policy practice.²⁷

Most authors approach the definition of public policy such as scientific disciplines with a description of the subject of their study. At the same time, they underline the role of the analysis of real control and administrative processes.

²⁵ The work of Potůček (2010, p. 12-20) presents a more detailed interpretation of the disciplinary contexts of the field of public policy.

²⁶ Unfortunately it is often not distinguished so there is no alternative but to comprehend it from the actual context in the meaning of which the author in question uses the term.

²⁷ For more details see Potůček (2010, p. 12-20).

Anderson (1975) defines public policy as a current of international activities realised by one or more actors when dealing with some problem or monitoring a certain **public interest**. He divides it into (public policy) demands, decisions, declarations, outputs and (intended and unintended) outcomes.

Sartori (1993) considers the defining feature of public policy as social practice of the socialisation of decisions whose participants are also their makers and implementers. This means decisions of the community (aggregation of individuals consisting of various types of organisations) regardless of whether received by one, several or many individuals. Whoever decides, decides for all. In its concept the determining characteristics of public policies are the content and scope of a given decision and collective action.

Jenkins (1978) understands public policy as a set of interconnected decisions adopted by a policy actor or group of actors during the choice of goals and ways of their attainment within the framework of the given situation and realisation possibilities.

Peters (1993) characterises public policy relatively narrowly as a summary of government activities directly or indirectly acting on citizens operating on three levels: policy decisions, products of policy and outcomes of policy. Of course, Lindblom and Woodhouse (1993) warn that public policy is implemented through a comprehensive political system and cannot be primarily understood only by a view of the action of top state officials.

Public policy as social practice therefore describes its practical implementation when monitoring and satisfying public interests. This ambition to become a useful instrument capable of providing information which could contribute to a better solution of social problems was, as we have already stated, a determining factor for the origin of **public policy as a scientific discipline**. Nevertheless, this characteristic can also be its virtues and its Achilles heel. Its practical relevance in the eyes of students and researchers gives it the authorisation to become an instrument of the better understanding of society and policy – and offers direct use for its results. On the other hand, this nature of its application can, in the eyes of representatives of other sciences, contribute to an image of a discipline which lacks scientific substantiation to the weakness of its resulting theoretical premises. This image is reinforced by a camouflaged or even open abuse of political analysis as an instrument for implementing unilateral interests – for example in research outputs of these *think tanks*, in whose work ideologising concepts have been asserted or are being asserted.

In relation to the implementation of public interest, we can distinguish liberal or paternalistic public policy:

- **Liberal public policy** intervenes only where the assertion of individual or group interests threaten a recognised public interest.
- **Paternalistic public policy** asserts recognised public interests often regardless of the changing form of social problems or possible loss of individual interests ... In the event that this is public policy of an authoritative state, the risk is increased that this will be an assertion of what only sounds like public interest.

Besides this, we distinguish many materially differentiated public policies. Of the most important, let us name at least economic, social, education, health, family, foreign, but also energy, media, transport and security policy, etc.²⁸

²⁸ For more see Potůček (2010, p. 19).

Pioneers and Continutors

If we were to look for the founder of public policy in the same way as, for example, sociologists found him in the work of Auguste Comte, we would not succeed. Public policy has more than one father – and luckily the ranks of its sons are spreading. Yes, so far mostly sons, even though we could also ascribe one daughter, a holder of the Nobel Prize for Economics for 2009, Mrs Elinor Ostrom. However, it must be added to this example that we include in our gallery, due to the very open disciplinary arms of public policy, theoreticians who may have moved public policy significantly forward, but they themselves would be surprised if they were to see their name in the following overview. For example, Elinor Ostrom was above all engaged in the field of political economics.

Table 1.11: Overview of personalities who contributed significantly to the development of the theory of public policy

Personality	Article
Kenneth J. Arrow	The Logic of Collective Choice
Robert A. Dahl	Theory of Democracy, Polyarchy
Ralf Dahrendorf	Individual Rights and Social Obligations; Social Liberalism
Yehezkel Dror	Rational Model of Public Policy; Strategic Control Dimension
David Easton	Political System
Amitai Etzioni	Ethics in Economics; Communitarianism
Hugh Hecllo, Owen E. Hughes	Political Networks; Thematic Networks
Jan-Erik Lane	Public Sector between the Market and State
Michael Howlet, M. Ramesh	Public Policy as a Policy Cycle
Harold Lasswell	Concept of <i>Policy Sciences</i> , including <i>Policy Studies</i> and <i>Policy Analysis</i>
Charles E. Lindblom	Incremental Model of Public Policy; Relationship of the Market and State
Theodore J. Lowi	Model of Political Arenas
C. Wright Mills	Power Elite; Plurality and Neo-orthodoxy of Social Research
Elinor Ostrom	Framework of Institutional Analyses and Development
Guy Peters	Institutionalism; Horizontal Governance
Richard Rose	Citizens in Public Policy; Transposition of Public Policy Programmes
Amartya Sen	Target Functions of Public Policy; Human Potential; Development Models
Herbert Simon	Humane Aspects of the Functioning of Bureaucratic Apparatuses
Joseph Stiglitz	Economics of the Public Sector

David L. Weimer, Aidan R. Vining	Relationship of the Market, State and Civil Sector
Aaron Wildavsky	Analysis of Policies as Science and Art; Implementation; Ethics of the Relationship of Analysts of Public Policy and Politicians
Harold Wilenski	Comparative Analysis; Phenomenon of Corporativism

Task: I add further names and articles on the development of the theory of public policy based on the study of public policy.

Prospects of the Development of the Field

Public policy is a young, peculiar, rapidly developing and confident scientific discipline. Its interpretative framework, analytical capacity and draft practical solutions are constantly more in the viewfinder of competent representatives of political and administrative practice. Approaches to public policy are found ranging from fundamental research (with a high level of abstraction) to elaborated empiric analytical studies (often with marked implementation of the comparative research) right up to practical application, directly entering into political and administrative communication and decision-making in public space (often described as *policy analysis*). As part of the entire field, each point has its own function and use on this range depending on the selected perspective.

Test questions:

Provide a description of the origin, designing and implementation of specific public policies from the clash of partial interests to the recognition and enforcement of public interests.

Are attempts at regulation of the internet in the public interest?

What is the theoretical approach denying the existence of public interests based on?

Provide an example of what could result if the existence of public interest is ignored by politicians.

In what way do political studies and public policy differ – and what do they have in common?

Why does public policy have a broader scope than public administration?

Illustrate by providing an example of the difference between active and reactive public policy!

Recommended reading:

Fiala, P., K. Schubert. 2000. *Moderní analýza politiky. Uvedení do teorií a metod policy analysis*. Praha: Barrister & Principal.

Lippman, W. 1955. *Essays in the Public Interest Philosophy*. Boston: Little, Brown and Co.

Ochrana, F. 1999. 'Metodologická východiska definování pojmu veřejný zájem' pp. 67-79 in: *Sborník referátů z teoretického semináře pořádaného katedrou veřejné ekonomie ve spolupráci s Asociací veřejné ekonomie*. Brno: Masarykova Univerzita.

Potůček, M. 2007. 'Česká veřejná politika jako vědní disciplína a jako předmět zkoumání.' *Teorie vědy* 16 (2): 93-118.

Potůček, M. a kol. 2005 (reedice 2010). *Veřejná politika*. Praha: Sociologické nakladatelství (SLON).