Different Ways of Institutionalising Entrepreneurial Parties: Czech Public Affairs Party and ANO[*]

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Abstract

This article analyses and compares two Czech entrepreneurial parties, Public Affairs (VV) and ANO (meaning 'yes' in Czech). Both parties achieved great success in the first parliamentary elections in which they contested; however, whereas VV quickly collapsed, the success of ANO proved to be sustainable. The theoretical framework of the article is the development model of institutionalisation proposed by Robert Harmel and Lars Svåsand, which has three phases: identification, organisation and stabilisation. We show that in the identification phase the leaders of both parties, Vít Bárta (VV) and Andrej Babiš (ANO), proved to exploit the crisis in traditional political representation and the hunger for new parties and personalities effectively, while successfully developing their protest appeals. The differences were visible during the organisation phase. On the one hand, Bárta's strategy of dual leadership (formal and actual) of his party caused conflicts, defections and undesirable media attention. On the other hand, Babiš's leading role in the new party was clear. He also constructed the party's internal mechanisms, and as such was able to control intraparty dissent. The problems of Bárta's VV deepened in the stabilisation phase. The combination of unmanaged government engagement and growing scandals discredited the party. By contrast, Babiš was able to gradually transform ANO into a competent and credible government party. This successful stabilisation greatly helped to facilitate an efficient and disciplined party organisation, 'accommodating the neutrality' of some important media, effective communication with voters and improvement of the economic situation.

Keywords: entrepreneurial parties; Vít Bárta; Andrej Babiš; Public Affairs; ANO

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1. Introduction

In recent years, party politics in East-Central Europe has provided the backdrop for the rise of many new parties, creating a rich seam of empirical material for analysis. Among the most interesting phenomena are parties formed by their founding fathers, who created them as political vehicles to further their own ideas or interests. Examples include Igor Matovič's Ordinary People and Independent Personalities in Slovakia, Ryszard Petru's Modern in Poland and Andrej Babiš's ANO in the Czech Republic. Typically, in addition to the leader who was crucial for their emergence, these parties have lacked prior backing in parliament and social rootedness, employing anti-establishment, and anti-party appeals. Their emergence has been linked with a number of circumstances conducive to their success. These include the economic troubles that affected the countries of the region at the end of the first decade of the twenty-first century, the considerable vulnerability of the 'old' parties as revealed by insufficient organisational capacity and rootedness, and the weakness of social cleavages (Hanley 2012, Tavits 2013, Casal Bertóa 2014, Haughton and Krause 2015).

When classifying new parties in Western Europe, scholars have tended to describe this group of newcomers as entrepreneurial parties (Harmel, Svåsand 1993; Krouwel 2012; Bolleyer, Bytzek 2013; Arter 2016; also see Lucardie 2000 and Sikk 2005 for categorisations of new parties generally). The private initiative of a political entrepreneur was an important initial factor in establishing the party profile (Hopkin, Paolucci 1999; Krouwel 2006). Indeed, the study of the variable durability of these parties is as interesting as that of their emergence. After their initial electoral success, the majority collapsed quickly, although some managed to establish themselves over the longer term. The classic article by Robert Harmel and Lars Svåsand (1993) provides a three-phase development model of institutionalisation, one that is often used to analyse the fluctuating durability of these parties. This development model has been augmented and tested on cases such as the Pim Fortuyn List and the Freedom Party of Geert Wilders in the Netherlands (Lange, Art 2011), the National Front in France, Jörg Haider's FPÖ in Austria (Pedahzur, Brichta 2002), and True Finns (Arter 2016; Arter, Kestilä-Kekkonen 2014).

Using the Harmel-Svåsand model introduced in the next section, this article analyses and compares two Czech entrepreneurial parties, Public Affairs (VV) and ANO (meaning 'yes' in Czech). The two parties exhibited contrasting developments. Common to both was the fact that a successful entrepreneur had decided to enter politics to create them. In the case of the former, it was Vít Bárta, the owner of a large security agency; in the latter case, Andrej Babiš, a billionaire and owner of the large holding company Agrofert. Both parties achieved great success in the first parliamentary elections they contested: in 2010, VV polled almost 11 per cent of the vote, and three years later ANO received more than 18 per cent. Both came into government shortly after the elections. However, whereas VV quickly collapsed and did not stand in the next parliamentary elections, the success of ANO proved to be sustainable, and the party managed to maintain stable electoral support after coming to power. Although not yet confirmed by parliamentary election, the results of several second-order elections (local, regional and European) indicated that it was highly likely that ANO would survive as a relevant formation in the long term.

The purpose of our article is to answer the following question: Why did one party collapse quickly, whereas the other has a high probability of political survival? The answer is of interest, not only for the study of Czech party politics; it may be of wider interest in the arena of research into entrepreneurial parties. We propose that the distinctions between Bárta's and Babiš's leadership and their differing organisational strategies were of fundamental importance, and that they illustrate how Babiš learned from Bárta's mistakes.

2. Party institutionalisation and three phases of development

Classical scholars defined party institutionalisation as 'the process by which organisations and procedures acquire value and stability' (Huntington 1968: 13) or as 'a process by which followers develop an interest in the survival of a party independent of its current leadership' (Panebianco 1988: 53). Party institutionalisation is sometimes understood as an element of party system institutionalisation (Mainwaring, Torcall 2006), or is integrated into the construction of party-change theory (Harmel, Janda 1994). Vicky Randall and Lars Svåsand (2002: 12) have used the notion for new democracies when defining institutionalisation as 'the process by which the party becomes established in terms both of integrated patterns of behaviour and of attitudes, or culture'. Drawing chiefly on the work of Angelo Panebianco, they distinguished its structural and attitudinal components and internal (intra-party) and external (society-related) features.

When studying the institutionalisation of entrepreneurial parties, the emphasis has traditionally been on the 'founding father', his leadership and organisational skills, which are important for transforming the party into an efficient electoral machine. The leader must show both strong *external* leadership, which makes the party attractive to voters, and an *internal* leadership quality that is fundamental to the functional organisation of the new party (Arter 2016; Lange, Art 2011). In terms of making the new party attractive to voters, the features of external leadership are evidently crucial. However, for a party to survive in the long term, its leader must be able to consolidate it internally and gradually institutionalise it within the party system.

The Harmel-Svåsand three-phase development model was conceived precisely in order to analyse the process by which parties institutionalise themselves. The first phase, *identification* begins at the moment the creation of the new party is announced; it consists of developing the party's identity and communicating its message. The entrepreneur must be a 'master preacher and propagandist', i.e. someone who combines creative, communicative and charismatic qualities. Typically, his message would be combined with a protest against the establishment, with the aim of attracting attention to ideas proposed by the party. However, the party might also appeal simply because it is new (cf. Sikk 2005). Harmel and Svåsand assume that given the need for a leader who interests voters in this phase to improve the likelihood of achieving success in the first elections, his nurturing of members' and supporters' identification with the party is more important than building an electoral machinery across multiple constituencies.

An important critical moment in the development of an entrepreneurial party is when it obtains parliamentary and/or local office holders. Whereas previously, public attention was concentrated on the leader, now it is substantially diffused, to encompass new visible party representatives, and, in particular, to examine their proclamations and opinions, which contradict the wishes and positions of the leader. Thus, the second phase, organisation, is connected with establishing routine procedures and mechanisms for control and coordination; something that was almost unnecessary in the first phase, characterised by one-person representation. This phase involves the delegation of the leader's authority and responsibility, increasing membership, stabilisation of a permanent electoral organisation, and deals with the issue of factionalism. The leader must not just show some organisational qualities but seek to secure further development of the party.

The third, stabilisation phase of party development occurs when the party gains importance in terms of its acceptability; i.e. it is considered a potential coalition partner. Harmel and Svåsand understand the party's coalition potential in the spirit of Giovanni Sartori (1976). According to them, it is not necessary for a party to enter government; it suffices rather that other parties change their stance and are willing to cooperate with the entrepreneurial party. Thus, there is a shift in the primary focus in this phase, away from internal organisation per se toward solidifying the party's reputation as credible actor. The leader's abilities to moderate and stabilise are now quintessential. If the party is eventually drawn into the executive, this entails the risk of voter disappointment, and so the leader is tested by their ability to cope in this new situation. In other words, the third phase requires stabilisation on two fronts: within the party, and in relation to other parties. In this phase, the leader plays a double game, within and without the party, which places

Table 1. Phases of party development			
Phase	Primary objective	Specific tasks	Leadership needs
1.	Identification	Develop message Communicate message Draw attention to party Adopt (non)organisational style	CREATOR and PREACHER Originality and creativity, communication skills, charisma, authoritativeness
2.	Organisation	Develop and routinise procedures Delegate and co-ordinate Build and maintain consensus among competing factors	ORGANISER Organisational orientation and skills, consensus building skills, strategic skills
3.	Stabilisation	Develop reputations for credibility and dependability Fine-tune and implement message and procedures Develop ongoing relations with other parties (perhaps eventually within coalition government)	STABILISER Personal reputation for credibility and dependability, administrative skills (for organisational maintenance and fine-tuning), complex human relation skills (to lead complex party organisation while dealing with other parties)
Source: Adopted from Harmel and Svåsand (1993: 75).			

considerable demands on his political skills (Harmel, Svåsand 1993; cf. Arter 2016; Randall, Svåsand 2002).

The phases may overlap, as indeed the examples from both Czech parties show. They are summarised in Table 1, and the remainder of the article is structured according to these phases. After briefly introducing each party, we will then analyse the strategy and behaviour of the leader in every phase.

3. The Public Affairs party: destructive consequences of concealing the real leader

Vít Bárta entered politics as a successful businessman: he co-owned the security firm *Agentura bílého lva* (White Lion Agency, ABL) with his brother. Unlike the billionaire Andrej Babiš, Bárta was not one of the country's richest entrepreneurs. At the time when Bárta's political project, i.e. to take over and develop the Public Affairs party, was set in motion, ABL's turnover was about CZK 900 million per year (about $40 million), and the company employed fewer than 2,000 staff, mainly in the capital, Prague (ABL 2009). By entering politics, Bárta sought to enlarge the scope of his company's activities, in particular to improve his position to win public tenders. The means for his political and economic expansion was to be VV, which was originally founded in 2001 as a local Prague party with a handful of members who had no national ambitions and no links to Bárta's agency. An interesting trait of VV among entrepreneurial parties was that Bárta did not found the party; rather, with the assistance of people linked with ABL, he took control of it around the middle of the first decade of the twenty-first century (Hloušek 2012).

The purpose of VV was to serve as a base for ABL's expansion, as was outlined in a document entitled *Strategy 2009–2014*, which Bárta presented to a narrow circle of his top agency managers in October 2008. The strategy was extremely ambitious, assuming that ABL would become the largest private security agency in the country. This would be achieved by winning new customers, and hence contracts in the public sector from various state offices, self-governing bodies, hospitals, schools, etc. The document stated explicitly that it was not possible 'to separate economic and political power' (Strategie 2008; cf. Kmenta 2011: 263–264; Bureš 2014). The notion of interconnecting political and economic power was elaborated in detail in the so-called Ethical Code of Public Affairs, dated January 2009 (Kodex 2009). The Code outlined a management structure for VV that minimised the influence of officially elected bodies (i.e. those visible outside of the party) and maximised the importance of unofficial mechanisms, in particular, the central role of Vít Bárta and his innermost circle, the so-called Conceptual Council of Public Affairs.

3.1. Identification: 'Down with the dinosaurs!'

The Code was also the key document outlining a strategy for attracting voters. The fundamental message was that the party offered 'simple solutions to complex issues' and 'a defi-

nite and immediate benefit for the citizen'; it was 'not to disparage the superficiality of the voter', but to be 'vibrant', 'entertaining' and 'non-traditional' (Kodex 2009). The face of this strategy was the popular journalist Radek John, who in mid-2009 replaced Bárta's colleague Jaroslav Škárka as VV's chair. This proved to be a shrewd move. John communicated the party's election message convincingly and, ahead of the elections, was even named the country's most popular politician in some opinion polls (CVVM 2010a). Among the candidates of the parliamentary parties, John won the second highest number of preferential votes in the elections (Kneblová 2010). Bárta, publicly virtually unknown, appeared merely as VV's electoral manager, although he was placed in an electable position on the party's candidate list. Formally, he was not even a member of the party at this time.

In the process of creating the VV party's identity, its management deftly harnessed the atmosphere of the time, which was marked by misgivings about the beginnings of economic recession, and, more importantly, the growing dissatisfaction with governance and the political classes. Added to this were concerns over political instability and numerous scandals, many involving corruption accusations (Hloušek, Kopeček 2014).[1]

Public Affairs were assisted by the fact that the early election, which had been called, was annulled by the Constitutional Court (Balík 2010). In their first nation-wide electoral test, i.e. the European Parliament elections in spring 2009, VV polled just 2.4 per cent of the vote, and the postponement of the national parliamentary elections until spring 2010 allowed the party sufficient time to adjust its political offer to match the social environment. Its main election slogan was 'The end of the political dinosaurs.' According to John, a dinosaur was 'someone who has been in politics for more than ten years, can't do anything other than politics, understands it as his trade and starts to make deals' (Rovenský 2009). The party was particularly critical of the two largest parties, the Civic Democrats (ODS) and the Social Democrats (ČSSD), who it accused of being guilty of corruption. John repeatedly described them not only as dinosaurs but also as thieves, criticising their incompetence in governing the country (Havlík 2015). Analyses show that political corruption was a key topic in the party's election campaign. The Public Affairs party dedicated more space in its party manifesto to the topic of fighting corruption than any other party receiving seats in the Chamber of Deputies (Eibl 2010; Havlík, Hloušek 2014). Strangely enough, John (and Bárta) joined those voices criticising the interference of private economic interests in politics; at the time this was plausible, as the public did not know that VV was connected with ABL.

The party's election manifesto was eclectic and could not be situated on the left-to-right axis, something that VV presented as a virtue, and as evidence that the party was distinct from the 'dinosaurs'. Radek John said at the time: 'We don't want to move left or right, we want to move forward' (quoted in Havlík 2015). The party proposed direct democracy as the primary cure for political ailments.

In its format, the party manifesto corresponded fully to the spirit of VV's Ethical Code mentioned above. Its short format, and its design as a cartoon, promised to the average voter *Pavel* (Paul) and his family the resolution of all problems. A cartoon character resembling Radek John was dressed in a superman-like costume to reinforce the message. This mood was supported by other elements of the campaign. For instance, before the cancelled early election of 2009, the party deployed a large number of billboards featuring several of the party's young female candidates dressed only in swimsuits; this was later followed by a 'sexy

calendar' in a similar vein. In the elections held in late May 2010, this political message secured fourth place for VV, with almost 11 per cent of votes and 24 seats in the 200-head Chamber of Deputies (table 2).

Table 2. Election Results of the VV and ANO (Votes %)							
	Chamber of Deputies		Local Elections*		Regional Elections		European Elections	
	2010	2013	2010	2014	2012	2016	2009	2014
VV	10.88		2.93		0.25		2.40	
ANO		18.7		14.59		21.05		16.13
* All councils (total valid votes include city district councils), excluding coalition candidate lists.							
Source: Czech Statistical Office.							

3.2. Organisation: concealed decision-making behind the façade of direct democracy

When Radek John, freshly elected leader of VV, was asked about Bárta for the first time he said: 'It's very simple – Vít Bárta, ABL owner, lives with Kateřina Klasnová, deputy chair of VV. He founded the Club of Engaged Entrepreneurs, from which we obtained CZK 12 million (approx. $0.5 million), and he decided he wanted VV to win seats in Parliament.' (Rovenský 2009). Members of the Club of Engaged Entrepreneurs included not only Bárta, but also additional future representatives of VV. The conditions for membership were arranged in such a way that the potential members had to donate at least CZK 1 million to a specified party (in reality the only eligible party was VV). Prior to the party's success in the parliamentary elections, the Club was its main donor (Stauber 2015: 140).

Even more importantly, John's words, as quoted, did not correspond to the much more interesting internal organisational reality of VV. In addition to its formal top-level bodies, which at first sight did not significantly deviate from what was the norm among Czech parties, the party also had an informal, yet crucial body, unmentioned in its statutes: the so-called Conceptual Council. Created in 2009 and described by the party's secret Ethical Code as the 'real governing body of the party' (Kodex 2009), it was comprised of a circle of people that changed slightly over time. They usually also held positions in official party bodies; examples include Škárka and Klasnová, as mentioned above, and Josef Dobeš, head of human resources in ABL and VV deputy chair, who became education minister after the 2010 elections. Remarkably, the main face of the party and its official chair, John, was not a member of the Conceptual Council, apparently because he originated from outside ABL. The head of the Council was Bárta, in whose flat the body held its meetings. Testifying to the spirit of the Council is the fact that Bárta called its members, who each supervised a field of the party's activities, 'gurus', and described himself as the 'superguru' (Kmenta 2011: 325).

This clandestine management of VV was hidden behind an entirely different façade than was presented to the public. According to statutes, it was the party members and registered supporters, the so-called *véčkaři* (the 'Vs') who voted for the party chair and deputy chairs in

a direct electronic election. Only subsequently, at the national conference of the party – its supreme body – were these party officials confirmed in their posts (Stanovy VV 2009). The intraparty referendums, the VV leadership claimed, were intended to determine virtually all the important personal and political decisions of the party, including those concerned with its programme. However, the scope of the issues put to the vote was not specified in the statutes, and neither was it clear whether the votes were binding for the leadership.

It was difficult to obtain VV membership (see below), but easy to become a registered supporter. Hence, the number of supporters was many times that of members, reaching almost 20,000 during the 2010 elections. The problem, however, was that only a small section of these registered supporters participated in intraparty referendums and soon after the 2010 elections suspicions started to emerge that the VV leadership had rigged their results. In spring 2011, defecting party representatives confirmed these suspicions (ČT 24 2011). For the party leadership, the supporters' votes were useful in two respects: they served as a façade covering the reality of decision-making in the party and were something of a litmus test to establish the fickle opinions of its supporters.

In order to uphold the image of a countrywide party with a physical presence, VV created local members' clubs, chiefly between autumn 2009 and spring 2010. Although initiated by the centre in Prague, the process was largely spontaneous (Jarmara 2011). In many regions, only a handful of clubs were created, because the membership was small; this posed no serious obstacles, given the fact that the party's election campaign was centralised and professionalised. Beyond these local clubs, until 2011, VV lacked the regional- and district-level organisations common to other Czech parties.[2] The non-existent regional bodies were substituted with regional party forums, comprised of chairs of local clubs and regional managers, the latter chosen and paid for by the leadership in Prague, which thereby informally secured a strong say for itself. Regional forums were given a key role in compiling candidate lists for elections to the Chamber of Deputies in the individual regions. The candidate selection process was seemingly very open, with regional election leaders chosen in direct elections by the supporters and members in the region (as were the chair and deputy chairs of the whole party nationally). In practice, however, candidates for regional party leader were preselected by forums that consulted with the party centre about their choices. The regional forums were also key to ordering candidates who followed the regional election leaders on the lists (Spáč 2013a; 2013b). However, the quick disintegration of VV's parliamentary party group after the elections showed that even this highly controlled method of assembling candidate lists could not secure their full loyalty towards party leadership.

One very specific instrument deployed by the leadership, namely contracts concluded between the party and its candidates ahead of the 2010 elections, also proved insufficiently effective. If elected as an MP, these contracts would bind the candidates to remain in the parliamentary party and to vote in accordance with the party line, under penalty of an enormous fine. These contracts corresponded to Bárta's logic. He considered the monies expended on building up VV and its election campaign an investment on which he wanted a return (Strategie 2008 and Kodex 2009). Thus, the contracts were intended to protect his investment. However, they contravened the constitutional order, and their ability to dampen VV MPs' dissatisfaction was short-lived; in contrast, they escalated the debate about the party's character and the strange way in which it was run.

Also noteworthy was VV's attitude towards accepting new members, which completes the picture of the party's organisation strategy. The party was much less welcoming of potential members than of registered supporters. When in late 2009 the number of applicants for membership rose sharply due to the party's improved rating in the opinion polls, a waiting period of one year was introduced, evidently to keep the membership under control. John presented this step to the media as a measure against careerists (ČRo 7 2009). Thus, while in early 2010 the party had fewer than 1,000 members but 1,400 people on the waiting list (Janiš 2010), by the end of 2010, the number of members had risen to a mere 1,700 (Válková 2011). Furthermore, it was the Council,[3] the broader official leadership of VV, which decided upon the admission and expulsion of each individual member (Stanovy 2009). In the demands placed on prospective members and the centralisation of the admission procedure, VV was unique among Czech parties.

Yet even self-protection mechanisms intended to protect it against potentially unreliable members failed to prevent internal dissent, which was greatly intensified by the public discussion about Bárta's intentions and his hidden directorship of the party. For instance, in April 2011 the VV club in Plzeň, one of the largest cities, called for Bárta to be expelled from VV. The party centre responded in summer 2011 by further tightening its demands on members, which had already been comparatively severe. Now prospective members had to produce a declaration that they were free from debt, a statement from the state-maintained criminal record repository, and a curriculum vitae. Furthermore, the party's Board (*grémium*), the inner official leadership, was given the right to demand further documents that had been unspecified in the statutes (Stanovy 2011). The purpose of this tightening was to gain greater control over the membership; yet it was only put into practice when the party faced a serious wave of defections and was practically falling apart.

3.3. A failed stabilisation phase

After the 2010 election, the coalition potential of VV proved surprisingly high, as the centre-right parties ODS and TOP 09 needed VV to form a majority government. VV was close to the centre-right parties on many economic issues, and although this was not much in evidence during the electoral campaign, it was made apparent after the election by the VV leadership as a kind of bridge into government.[4] This flexibility secured four ministries for VV in the new government, led by Petr Nečas (ODS), including those of the interior (for John) and transport (for Bárta).

This unambiguous foregrounding of an office-seeking strategy contradicted the party's anti-establishment message, however. Indeed, such a message could hardly be deployed in a situation when VV ministers sat in government with a number of people whom they had previously described as 'political dinosaurs'. Hence, the appeal had to be transformed, although the original message was still used on occasion by party representatives (Havlík, Hloušek 2014; Havlík 2015). Furthermore, the credibility of VV, including its main face, John, began to be undermined by the party's obvious unpreparedness for a role in government. John, now the minister of the interior, spoke about a 'suicide mission' in the media, describing himself as unprepared to lead the ministry (Viktora 2010). His ratings and those

of the party plummeted, as was confirmed by the party's debacle in the October 2010 local elections, where its average across all local assemblies was fewer than 3 per cent of the vote (comp. Table 2).[5] The organisational strategy of the party, particularly its wary approach to new members, contributed to the fiasco. Its sparse network of clubs resulted in many small and medium-size towns and cities being unable to put together candidate lists for the party. Similarly, the lack of ordinary district and regional structures had negative effects, as under normal circumstances such bodies would have coordinated the campaign.

The party sought to deal with the evident problem of a lost electorate by offering a new message: to this end it used blackmail to oppose the Nečas government from the inside, in particular by seeking to correct its economic and social agenda (Hloušek 2012). This was made more colourful by the party's dramatic press conferences, threatening relatively openly from late 2010 onwards that the party would leave the government coalition. Such a step would facilitate retention of VV's protest character. This message was accompanied by a 'new' face for the party: its *de facto* leader and minister for transport Bárta, who was becoming more visible and popular (CVVM 2011).

The chances of the new party message succeeding, however, were overturned by a public discussion that raised the discrepancies between the formal and actual mechanisms of the party's operations. Firstly, in early March 2011, information was leaked to the media regarding a letter written by VV deputy chair Klasnová to other people in the party's leadership. In it she said that there was 'a totalitarianism' in the party, which she connected with Bárta, who was now her husband (Šťastný 2011). Shortly after this statement, the deputy chair of the party and one of its MPs, Jaroslav Škárka, defected. He described VV to the media as a party run dictatorially by Bárta, alleging he was buying the loyalty of some MPs. Even more destructive was the publication in an influential daily newspaper *Mladá fronta Dnes* of a well-documented story identifying VV's genesis as an economic project, the purpose of which was to obtain political power. Among other things, the paper's exposé contained explosive information about ABL's surveillance of politicians from competing parties.

Bárta responded by resigning as minister and Prime Minister Nečas decided in early April 2011 to push VV representatives connected with ABL out of the government, as he believed they represented a security risk. The coalition survived the crisis at the cost of a compromise: VV remained in government but its position was weakened, as the party lost the politically sensitive ministry of the interior, to which a non-partisan head had been appointed.

This crisis fundamentally damaged the party's credibility and its internal cohesion. Three MPs, including Škárka, left the party. The police started an investigation, addressing the allegation that Bárta had paid Škárka and some other MPs for their loyalty to the party. The party leadership also sought to salvage its tattered image by continuing the strategy of 'internal opposition' within the coalition, although this only accelerated the party's disintegration. When in spring 2012 Bárta was brought to trial for bribing MPs, VV sought to avoid the media storm that devastated the party by creating another crisis in government and by announcing that VV ministers might leave the government. Tired by the endless disputes, ODS and TOP 09 politicians proposed calling an early election, which would spell VV's demise, given that its popular support at the time was minimal. Furthermore, VV ministers were out of control, announcing that they would not resign after all; the party

leadership then abandoned the idea of resigning from government, losing the last remnants of their authority. A final blow for VV came in April 2012, when Bárta received an 18 month suspended sentence for bribery.[6] VV's ministers left the party, joined by some of the party's MPs, allowing Nečas' government to maintain a fragile majority in the Chamber. What remained of VV was pushed into opposition; by that time most of the members had already left the party, leaving its membership at about 700 in spring 2012 (Válková 2012).

In early 2013, an attempt was made to revitalise VV's ethos by finally making Bárta the official chair of the party; yet by that time, he was a compromised figure and this measure could not have a positive effect. The party did not stand in the early elections in 2013 and concluded its activities two years later.

4. Andrej Babiš's ANO

The billionaire Andrej Babiš was surprised by the rise of VV in the 2010 elections and noted that 'a successful party can be built up fairly rapidly in Czechia' (Pergler 2014: 131). Like Bárta, Babiš was a successful businessman, although his economic potency was much greater. The Agrofert holding company owned by Babiš was a large economic empire, consisting of more than 200 firms with almost 30,000 employees, mainly in the chemicals industry and agriculture. The holding company operated throughout the country and also abroad, and its value was estimated at $1–2 billion (cf. Agrofert 2011).

As Babiš built up his empire after 1989 he came into intimate contact with the political world, maintaining good relations with both the Social and the Civic Democrats; yet towards the end of the twenty-first century's first decade, these relations cooled considerably. Babiš's steps leading towards the foundation of ANO were probably motivated much like Bárta's; by directly entering politics, he sought to secure growth for his holding company. However, another likely motivation for Babiš was his frustration with politicians, on whose decisions he often depended. When entering politics, Babiš vented these frustrations openly (Pergler 2014), adding a strong mark of personal authenticity to his political message.

4.1. Identification: 'Yes, things will get better!'

2011 witnessed Babiš's reinvention of himself as a political leader. The billionaire, who until then had rarely appeared in public, started to communicate intensively, issuing statements such as 'Our politicians do everything to prevent us from doing business' or 'People who have proved that they know how to do business and direct large companies would also be better in governing our cities and state' (Tintl 2011; Mařík 2011). Thus, the core of his anti-establishment and, at the same time, managerial message came into being, without, however, promoting direct democracy as VV did. Most attractive to the media were Babiš's anti-corruption appeals, such as those made when comparing the Czech Republic with Palermo in Sicily.

At the heart of Babiš's message was his own *persona* and business story. In the founding appeal of his initiative, entitled 'Action of Dissatisfied Citizens' (*Akce nespokojených občanů*,

from which the acronym ANO was later derived), he published in several large dailies in November 2011, writing:

> I employ thousands of people in my firms in Czechia, pay hundreds of millions in taxes and am every bit as annoyed as you are. I am annoyed because since the revolution [of 1989] not only have our politicians proved unable to manage our country, but they watch as theft continues. I am infuriated that we live in a dysfunctional state. (ANO 2011)

From the outset of his 'politicisation', Babiš had to deal with frequent comparisons in the media between him and the secret leader of VV, whose role was hotly debated at that time. Babiš strongly objected to such comparisons and claimed that he did not intend to get involved 'in the manner of Mr Bárta, whose 'secret' get-rich projects are now known by the whole Czech Republic' (Pšenička, Mařík 2011). The very visible way in which Babiš announced the birth of his own political project in a live TV broadcast on a popular late night show at the end of September 2011, to which he had been invited, was evidently motivated not only by attempts to garner the greatest public attention possible, but also to present himself as 'non-Bárta'. Symptomatically, Babiš also sought to pre-empt speculation about the lack of transparency in the funding of the new political project, declaring openly that he was 'the one who pays for it all' (Dolejší 2012). Indeed, in the early days, ANO obtained an overwhelming share of its funding from Babiš and his companies (ANO 2012).

Remarkable verbal acrobatics were integral to Babiš' message: he criticised all politicians; openly constructed a new party, which he nevertheless described as a 'movement'; and consistently rejected the idea that he himself was becoming a politician. In his founding appeal, he claimed that he only wanted to manage the new entity, and indeed for some time he unsuccessfully sought to find a publicly known personality who could head his project. Officially, Babiš claimed that he did not want to be leader because he was unsuited for the job – given the ongoing public discussions about how he had become rich and other issues. He himself said at the time: 'I am one of those opportunists who during the *ancient régime* crawled into the [communist] party in order to be able to travel abroad; I am probably not a historical moral ideal' (Kubátová 2011). Other problematic facets of Babiš's profile were that he had probably collaborated with State Security, i.e. the secret police of the communist regime (an allegation he denied) and that, being of Slovak origin, he did not speak Czech well.

Babiš did, however, learn from Bárta's mistake and at the founding congress of ANO in August 2012 he had himself elected by delegates as chair of the party, a fact he commented on, stating that there was 'no point in searching for some sort of trained puppet' (Válková, Dolejší 2012). He could not have distanced himself from the pairing of Bárta – John more clearly. Nevertheless, until summer 2013, Babiš refused to stand for election to parliament and to serve as the leader for parliamentary elections. Evidently, he later changed his mind. He decided to keep ANO firmly under his control and not to split the power with any person who would lead the campaign. This was due to the experience he had gained building up his party. He also sought to repudiate the label of 'Public Affairs Mark II', which the media attached to his party, by keeping openly both the position of the party leader and the leader of the electoral campaign. Similar to Bárta in 2010, Babiš could also profit from the serious

crisis affecting existing politics, which culminated in an enormous scandal that swept away Nečas's government in June 2013. The police raided the Office of the Government, arresting Nečas's Chief of Staff (and lover), as well as several former MPs of the Civic Democratic Party and heads of military intelligence. This weakened not only the governmental parties ODS and TOP 09 but, due to intraparty wrangling and disputes with President Zeman, ČSSD as well. As a consequence of the political crisis, popular trust in the political classes plummeted again, while the support for Babiš's ANO increased sharply by contrast.

Babiš himself was actively involved in soliciting support for his political venture, not only by undertaking intensive media training and preparation for televised debates. He was able to deploy Agrofert's serious resources, sometimes in ways that were only borderline legal. Thus, shortly before the elections, Babiš, as owner of Agrofert, appeared as a chicken seller in a TV advert, launched on a massive scale, for one of the poultry firms owned by his holding company. In the Czech Republic, political publicity on private TV and radio stations is forbidden; however, the media regulator accepted the argument that Babiš was not a politician.

Crucial to Babiš's success was his critique of the political establishment, as embodied in the effective slogan 'We are not like politicians, we knuckle down!' used during the campaign for the 2013 election. Another slogan used while campaigning was already contained in Babiš's founding appeal of November 2011, according to which 'the state was to be managed like a prosperous firm' (ANO 2011). This promise to transfer private sector efficiency into the public sector relied on Babiš's personal abilities and experience managing a large corporation (Havlík 2015). Just prior to the election, ANO's original election manifesto regarding the state's being managed as a firm was reformulated into an endeavour to transform the Czech Republic to an 'inexpensive and lean state'. This was because the surveys the party had commissioned revealed some voters had perceived the original slogan as a threat to democracy. Babiš subsequently modified his rhetoric and spoke more carefully of his intention to 'manage the state with due care' (Rovenský 2013). To this, campaign-makers added the emotionally loaded slogan about doing things, 'So that our children would want to live here.' The hope Babiš's party sought to embody was projected via another widely used catchphrase that utilised the party's name: 'Yes, things will get better' (*ANO, bude líp*). Supported by a professional campaign, ANO's message secured the party second place in the 2013 election.

4.2. Organisation: business-firm style management and centralisation

In its early days in particular, ANO, similar to VV, sought to attract registered supporters, and at the time of its founding congress in August 2012 indicated that it had about 20,000 of them, about the same number as VV had boasted at its zenith (Kreč 2012). The position of these supporters was not anchored in the statutes in any way, however, and their main purpose seems to have been to present ANO as a broad social movement.

From late 2011 onwards, the building of ANO was overseen by a small group of people clustered around Babiš in the Prague headquarters of Agrofert. The business environment

of Agrofert affected the manner in which the cadres were chosen, in particular who would create ANO's territorial structures. Unlike VV, these structures were created at all levels from local to regional. The method adopted was to prevent a show of disloyalty, and in this ANO was probably influenced by the recent experience of VV. The most remarkable aspects of this process were human-resources style checks, including psychological testing, which the founders of these structures, the so-called coordinators, had to undertake at Agrofert headquarters. The process of enrolment of ANO's first cadres was thus very similar to corporate employee recruitment. These coordinators were also the first members of the party. The same procedure was used to recruit those ANO candidates standing for election to the upper chamber of Parliament in 2012; the first elections in which the party contested (Kopeček 2016).

However, even this course of action failed to secure absolute loyalty. The representatives of the regional organisations elected in early 2013 were often not connected with Agrofert and showed independent political ambitions. The second congress of ANO in March 2013 smoothly confirmed Babiš in his role as the party's chair, although in electing other party representatives the delegates only partially respected Babiš's will, and, unexpectedly from his perspective, most of the deputy chairs were taken by representatives from the regional organisations. After the congress, a conflict flared up between Babiš and most of his new deputy chairs, the essence of which was that the latter sought to obtain actual influence over the decision-making processes at ANO (Koděra 2013; Dostál 2014).

The conflict was soon over, as the dissatisfied deputy chairs resigned their party offices and quit the party. Not only could the founding father use the strong argument that it was he himself who fully funded the party, but the statutes concentrated most of the power in ANO in his hands, since they allowed him, in his capacity as party chair, to act independently *in all matters* (Stanovy ANO 2013). Thus, at what was a critical moment, the leader's domination was reinforced by formal rules. The strictly centralist conception of the statutes also allowed Babiš to monitor the selection of the new chairs of regional organisations who were to replace those who resigned. According to ANO statutes, the power to confirm regional heads in office lay with the party presidium, which was staffed with people loyal to Babiš.

The conflict that preceded the early parliamentary election in 2013 did not jeopardise ANO. The party opted for a centralised and professionalised campaign in which hired election experts and the US agency PSB, which provided polling, played fundamental roles.[7] In terms of funding, the campaign could draw on the leader's almost unlimited resources, and indeed ANO's campaign was the most expensive of all the parties standing for election (Králiková 2014). Key decisions ahead of the 2013 election were made in a semi-informal narrow circle around the leader. The composition of this circle varied, depending on the issue under discussion, although generally it was comprised of hired electoral experts and members of the presidium (Kopeček 2016).

This semi-informal circle was also crucial for staffing the top places on ANO's candidate lists. It largely sought to nominate public figures (e.g. a popular actor, a well-known political commentator, and several successful businessmen and managers), hoping that they would provide the greatest contribution to the party's electoral success. However, the regional organisations did manage to push through their preferred candidates in some cases, not least because the personal resources of the centre were limited.

From the second half of 2013 onwards, the party's improving opinion poll ratings significantly enhanced popular interest in standing for election on ANO's ticket or in becoming a member. Babiš's party, however, screened both election candidates and prospective members, arguing, like VV, that it needed to protect itself from careerists. Prospective members of ANO had to attach a curriculum vitae to their application, as well as a statutory declaration that they were free from debt, had no criminal record, and agreed with the party's moral code. The candidates for membership then had to wait for a period of six months. The admission of every member had to be approved by the presidium of the party, and this body could also expel members, for rather vague reasons. The presidium therefore acted as a gatekeeper. The conditions set by ANO were largely similar to the admission procedure in VV, which, however, only adopted strict measures when it was already falling into disrepute. The effect of this in ANO was that of the 7,000 candidates who sought membership at the time of the 2013 election, only a small proportion were accepted. The membership of Babiš's party rose from 800 in June 2013 to 2,700 in April 2015 (Smlsal 2013; Válková 2015).

4.3. Stabilisation: a relatively successful adaptation to a role in government

The results of the 2013 elections provided ANO with a much better political position than that obtained by VV in the 2010 elections. Not only did ANO poll a greater share of the vote; more importantly, it was only narrowly behind the formal winner of the elections, the Social Democrats (ČSSD). That party's result was the worst since the early 1990s; its pre-election assumption that it would be in a position to form a single-party minority government, supported in parliament by the communists in order to achieve a majority, had proved unrealistic. The combination of ČSSD's poor showing in the election, its internal disputes and the unwillingness of the centre-right parties (which were decimated in the election) to engage in government all led to an unexpected solution. The new government consisted of ANO, ČSSD and the Christian Democrats as a junior partner. ANO obtained a third of the government portfolios, including the ministry of finance position for Babiš.

Unlike VV in 2010, ANO received a serious bonus at the point it joined the government: the economic recession ended and boom returned. This improved the mood in society and positively affected the perception of ANO and its leader. During 2014, Babiš became the most trusted politician (CVVM 2016), and ANO the strongest party, according to the opinion polls. These developments were supported by a partial transformation of the party's existing profile, a necessary consequence of its move from opposition to government. ANO did not follow the strategy adopted by VV; it did not wish to position itself by blackmailing the government from inside, and it avoided Bárta's approach of constantly causing conflicts within the government. Given that ANO's position was almost equal to that of the prime minister's party, and that the economic situation was favourable, such a strategy would have made little sense. Still the ANO leader's conflict of interests that resulted from combining the office of finance minister with his ownership of one of the country's largest economic empires provided impetus for attacks made by Social and Christian Democratic politicians as well as opposition parties.

Nevertheless, among both Social and Christian Democrats their desire to keep the government working prevailed, and they sought not to escalate the dispute over Babiš's conflict of interests. The caution expressed by Babiš's coalition partners was most conspicuous in March 2016, when a scandal connected with Babiš concerning the potential misuse of a large subsidy awarded for recreational facilities at Stork Nest Farm was at its peak. However, the other government parties did not push for Babiš's resignation. Similarly, despite fierce resistance mounted by ANO, the Social and Christian Democrats decided in autumn 2016 to support an amendment in parliament to the Conflict of Interests Act, which limited the conduct of business activities whilst holding government office; and which symptomatically was dubbed Lex Babiš. However, the act came into effect in such a way that meant the present government remained virtually unaffected.

Furthermore, in 2013, Babiš took over one of the country's largest media groups, which publishes e.g. two national daily newspapers, *Mladá fronta Dnes* and *Lidové noviny*, as well as the news websites associated with these dailies. In practice, this secured 'accommodating neutrality' towards ANO on the part of some in the journalistic community. ANO's extraordinarily effective use of social networks has been even more important for the party. It has allowed the party to establish a permanent communication channel with voters, strengthening their loyalty. It is noteworthy that a special division for new media was established at ANO headquarters, and Babiš's Facebook profile had the third highest number of followers and friends among Czech politicians in 2016, after Tomio Okamura and the country's president. VV, by contrast, were not as media-savvy, nor so well equipped. Their most important medium was a magazine that was distributed free-of-charge, and linked to the party, bearing its name (Stauber 2015: 143).

ANO brought its political profile closer to the mainstream. It abandoned the anti-political and anti-party appeals, although even after the 2013 elections Babiš repeated that he still did not consider himself a politician; this despite being a minister. Politically, ANO placed its bets on the strategy of *maintaining the image of a competent party*, or acting to resolve people's problems effectively. This plausibly distinguished the party from the Social Democrats with whom it was in coalition and from the opposition right, which was still encumbered by the legacies of the preceding era. The most visible manifestation of the party's profile was its key slogan for the local elections in autumn 2014: 'We'll simply do it.' As with the parliamentary elections, ANO organised a professional and relatively centralised campaign. In contrast to VV, however, it could also rely on its functional regional and district-level structures. Local elections proved a triumph for ANO: it won the most votes in the majority of large cities including the capital Prague, which is particularly important politically (table 2).

The party was able to repeat its success in regional elections in October 2016, polling 21 per cent of the vote, giving it a comfortable lead over the Social Democrats who placed second with 15 per cent of the vote.[8] The continuing emphasis on a managerial and technocratic style, which supplanted the politics of the mostly Social Democratic regional governors hitherto, largely decried by ANO as incompetent, was interestingly reflected in one of the party's main slogans for the elections: 'To manage the region as a firm'. This was in fact only a minor modification to the party's slogan for the 2013 parliamentary elections, when it was 'the state' that was to be managed as a firm. This was accompanied by renewed

anti-corruption rhetoric, the public credibility of which was supported by a controversial decision, backed by the Social Democratic Interior Minister, to reorganise special police units in June 2016, provoking public debate about whether it was really an attempt to paralyse investigations into some important cases. Thus, in the regional elections, the Social Democrats paradoxically played into ANO's hands; Babiš's party capitalised on the situation, and flexibly assumed a position in fierce opposition to police reorganisation. In contrast to VV, the public did not perceive ANO as a blackmailer, but rather as a kind of 'correct opposition within the coalition'.

A continuous ideological vagueness has paralleled ANO's high political flexibility. It has been very rare indeed for the leader to define ANO; for instance, in autumn of 2014, Babiš described it as 'a right-wing party with a social conscience' (Kálal 2014). There was also a re-interpretation of the 2013 parliamentary elections and ANO's success in them which began to be explained as preventing the rule of the left. However, this was really only a communication tactic, as demonstrated by Babiš's pragmatic position towards the communists. He openly admitted the possibility of executive coalitions with the communists at regional and local levels, and the possibility of inviting them to negotiate national government following the planned 2017 parliamentary elections (Kolář 2016).

ANO's joining of European liberal structures (ALDE) did not significantly affect the party. This declaration of liberal allegiances did not create the need for the party to anchor itself more firmly in liberal ideology. Its manifestos and statutes, it is true, featured an espousal of liberty as a key value; however this was completely overshadowed by the regulatory and technocratic visions it promoted. Their clearest embodiment has been the system of electronic sales records launched in late 2016, applicable to all point-of-sale systems. In essence, this mammoth IT project gives the tax authorities the remit to check every business transaction in the country.

Babiš did not neglect the internal stabilisation of the party. Immediately after the 2013 elections, ANO MPs underwent a teambuilding exercise, the purposes of which were to become mutually acquainted and for the party to deliver a coherent impression, as prior to the elections some of them did not even know the party leader personally. The party also responded to the fact that the vetting of candidate MPs before the elections had failed to prevent scandals,[9] and tightened the vetting procedure before the 2014 local elections. Several thousand people standing for election on ANO's candidate lists (of which only minority were party members) were subjected to screenings. The vetting was supervised by the new general manager of the party, whose team first collected all that it could about the candidates' past from publicly available sources (such as previous membership in other parties, debts, etc.). They then interviewed the candidates individually. In terms of their scope and aim, these screenings had no parallel among post-1989 Czech parties; however, analogies to them can be found in the former communist era. Having vetted its candidates, ANO re-ordered some of its candidate lists substantially, struck off a number of candidates entirely, and even completely scrapped some lists (Stuchlíková 2014).

At the February 2015 party congress, the conditions of membership were made stricter still. For example, instead of making a statutory declaration that they have no criminal record, prospective members were required to produce a statement from the state-maintained criminal record repository. Furthermore, a new requirement appeared in the statutes

according to which members must notify the central party office if they were subject to 'any proceedings, especially criminal or offence proceedings' (Stanovy ANO 2015, Art. 5).

Despite these measures, internal conflicts flared up in local party organisations in a number of municipalities throughout 2015. These were usually connected with the fact that varying opinions and interests of the party representatives became manifest in municipal bodies. The approach ordinarily taken by the ANO presidium in such situations was harsh (although supported by the statutes); it often expelled members and sometimes even shut down entire local organisations, even in cities that were seats of regional administrations such as Ústí nad Labem. The efforts to maximise control over the party's functioning necessitated further changes to the statutes. For instance, since the 2015 party congress, the presidium newly obtained the power to nominate candidates for elections of all types. This formally circumscribed the autonomy of the party's territorial organisations further.

5. Organisational phase as a key factor in institutionalisation

If we compare the evolution of the two parties, it is immediately apparent that VV and its leader Vít Bárta successfully managed the identification phase, but that their mistakes during the organisation phase caused a failure in terms of stabilisation, which meant that the party collapsed during its institutionalisation. Compared to VV, the ANO project thus far has been much more successful. Like VV, ANO sailed through the phase of identification, but it also navigated the organisation phase well and now seems to be satisfactorily managing the stabilisation phase, both with regard to its activities in government and its relations with other entities constituting the Czech party system. However, it will only be possible to evaluate the overall success of this last phase (stabilisation) definitively according to the party's performance in the next parliamentary elections, scheduled for 2017.

Both leaders proved to be very efficient managers in the **identification phase**, and as politicians they exploited the crisis in traditional political representation and the hunger for new parties and personalities effectively, while successfully developing their anti-establishment, anti-political and anti-party appeals. Evidently, a combination of a promise to fight corruption with a successful representation of new figures not as politicians but as experts (as in ANO), or as tribunes of the people (as in VV), or a pretence to this effect, is a viable strategy. In terms of analysing the factors that contributed to successful voter identification with the party, an important insight is the following: neither Bárta nor Babiš were, strictly speaking, charismatic leaders in the classical sense, but, primarily, 'political managers' who were able to put their finger on the pulse of the nation, assemble a sufficiently professional team of collaborators to lead the campaign, secure funding, and organise a centralised system for putting together candidate lists featuring figures attractive to the electorate.

It is more interesting to compare the diverging paths of both parties during the **phase of organisation**. Indeed, it is here that the clue to explaining the difference in performance of VV and ANO can be sought. Although understandable with regard to the VV election

slogans and the nature and objectives of ABL, Bárta's strategy of dual leadership (formal and actual) of his party caused problems as early as the 2010 elections. Bárta's position, which was unclear to the public, instigated intraparty conflicts, defections and undesirable media attention, ultimately unravelling the party. This highlights an important element of Babiš's success. Although he attempted to present himself as a non-politician, his leading role in the new party was entirely public and he never sought to hide the fact that he was the party's mover and shaker. By doing so he increased the credibility of his project in the public eye, guaranteeing it with the weight of his personality. He also made it easy for himself to intervene in his party's operations openly, largely in accordance with its formal rules, and hence also more efficiently. Thus, Babiš has been able to succeed where Bárta had failed. He constructed the party's internal mechanisms such as to be able to control intraparty dissent and easily eliminate its instigators. In terms of the Harmel-Svåsand theory, Babiš now has only one more thing to do with regard to his party organisation: complement the elements of strategic management with consensual elements, in particular with respect to the party's territorial organisations.

Our analysis shows that the problems that emerged in VV in the organisation phase were also manifest in the **stabilisation phase**. In a way, Bárta also attempted to deploy a double-dealing strategy towards his coalition partners. The endeavour to act as 'opposition' within the government and thereby save the party's protest appeal, the cornerstone of its strategy for alluring voters, caused two problems. The combination of government engagement with the growing scandals that accompanied the party's organisation discredited this appeal. It also created unnecessary conflicts with other parties in government, and ultimately within the VV leadership itself, causing a break-up in the party, part of which remained in Petr Nečas's coalition government. By contrast, Andrej Babiš, probably partly responding to VV's experience, deftly sensed the point when tactics and rhetoric had to be modified.

However, Babiš did maintain an ability to keep his politics flexible and to distance himself from certain controversial steps taken by the government. ANO was also helped by an economic boom, which the party could present as its own success, its ability to effectively communicate its policy to the electorate, and the 'accommodating neutrality' some important media showed towards the party. The transformation of ANO from combatant into a capable and credible government party was gradual, and can only be fully evaluated with the benefit of hindsight, i.e. after the next parliamentary election. For now, however, it seems to have been an unqualified success. Despite some issues (such as the unwillingness on the part of the Minister of Finance Babiš to 'waste time' answering parliamentary questions), the popular perception of ANO as a competent technocratic party becoming an established player in the Czech party system holds. The increasing efforts of not only the opposition but also of government parties to define their positions by criticising ANO, testify to this effect. While the final account of the success of ANO's stabilisation can only be made after the next parliamentary election, a comparison of VV's evolution after the 2010 election and ANO's after the 2013 election suggest that ANO is well placed to conclude the stabilisation phase successfully.

6. Conclusion

In this study, we have applied the Harmel-Svåsand model of party institutionalisation to two Czech entrepreneurial parties, the Public Affairs party and the ANO. We have confirmed the analytical utility of the Harmel-Svåsand model and shown how crucial the phase of organisation is to entrepreneurial-party institutionalisation. The example of VV demonstrates clearly how attempts to mask the actual decision-making mechanisms in the party or the identity of the real leader can backfire. Experimenting too much with unusual models of membership (such as the idea of registering supporters who are not actual members) is also dangerous. In this sense, ANO chose a more transparent organisation with managerial and centralised governance; in this it was influenced by its business-firm origins with the founding father playing a central, indeed dominant role. Thus far, this model has allowed the political entrepreneur to exploit ANO as an efficient political and electoral vehicle, and thanks to its professional communications, the party manages to uphold a good public image.

Our findings also imply that a highly managerial party, organised as a business-firm on the inside yet gravitating towards the mainstream in its external activities with other parties in the party system, can be highly effective. Evidently, this was the combination that allowed ANO's organisational success. This insight provides an interesting starting point for further studies of entrepreneurial parties in Central and Western Europe. Naturally, problematic consequences in terms of the intra-party democracy of such an organisation present a serious topic for further discussion, although this is beyond the scope of the present article.

Only time will tell whether ANO's organisational model is sustainable in the long term in its present form. Pressures from below are already evident, and these might increase substantially in the case of a strong political shock. It is also an open question whether they would be containable without some decentralisation in the party's decision making. The combination of a (reformed) managerial governance within the party and a shift towards a 'normal' party on the outside (in the sense of the party accepting models of behaviour that are the norm in parliamentary democracy) might be a possible outcome of ANO's stabilisation phase.

Footnotes:

1. Towards the end of the electoral term, two-thirds of voters were dissatisfied with the political situation (CVVM 2010b). To illustrate the scandals of the times: the social-democratic Speaker of the Chamber of Deputies had to relinquish his seat after he had handed a large sum of money to his assistant in a brown paper bag – allegedly he was returning monies, the origin of which was unclear.
2. District-level organisations were never created.
3. This was not the same body as the 'Conceptual Council', which was not mentioned in statutes.
4. It is worth quoting here from the already-mentioned VV Ethical Code dated 2009, which espoused a 'minimal state theory'; such a state was desirable in that the greatest possible scope of public administration activities would be outsourced, and ABL hoped to be awarded some of these public contracts. The Code also assumed that the party would obtain a share of political power 'by an agreement with the elites' (Kodex 2009).

5. This number does not include election coalitions that the party formed in some places.
6. A few months later, a superior court annulled the verdict, but this did not have any further political impact.
7. In the past, this agency worked for such figures as Michael Bloomberg, the Mayor of New York City, Tony Blair and Bill Clinton.
8. Other second-order elections worthy of mention are those to the European Parliament in May 2014, which also brought success to ANO: the party placed first, winning 16 per cent of the vote. By contrast, it fared somewhat worse in elections to the upper chamber of parliament, where it took only a few seats in both the 2014 and 2016 elections. This was probably due to the majority system used to elect the chamber and the very low turnout in the second round, which favours parties with very disciplined voters.
9. The party had to prevail upon one of its MPs (who was also the chair of one of its regional organisations) to resign his seat after the media started to discuss his controversial pre-1989 'sins' as well as the fact that he owed a substantial amount of money in taxes.

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