

### How to run an efficient political machine: the billionaire Andrej Babiš and his political-business project<sup>1</sup>

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**Abstract:** This paper contributes to the debate on entrepreneurial parties with the empirical example of the Czech ANO party. The authors focus on selected aspects of the internal organisation and functioning of the party, emphasising the points where business methods and practices are transferred to the environment of party politics. The empirical part shows how the leader has built loyalty inside the party, and analyses its methods of control and coercion that are similar to the human resources recruitment techniques used in businesses. The authors investigate such matters as the vetting of candidates for public offices, the significant barriers created against those wishing to join the party and the party leadership's strict control over membership. The article also describes the development of ANO's electoral-professional services and the creation of mass media support. In conclusion, the authors discuss the broader future for the internal workings of entrepreneurial parties – including their lack of intra-party democracy – and their relationship with the changing landscape of contemporary party politics.

Keywords: internal party organisation, intra-party democracy, Andrej Babiš, ANO, entrepreneurial party

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### Introduction

In recent years, the concept of entrepreneurial parties has become frequently used, albeit in various modifications (cf. Arter 2016; Krouwel 2006, 2012). Beyond accentuating the role of the entrepreneur – the founder and driver of the project, whose resources are crucial for the start-up and stabilisation of the party-project – the main characteristics of this type of political party include its strong centralisation and minimal intra-party democracy, features that are linked with the fact that, like the leader, the party elite is typically recruited from the business environment. It is precisely this interconnection of politics and an organisational model (or way of working) typical of the commercial sphere that makes entrepreneurial parties interesting for empirical investigation, and is the subject of this article.

There are several factors that inform our focus. First, the literature on entrepreneurial parties and political-party organisation tends to emphasise their centralisation and limited or absent internal democracy, whereas the parallel between a business firm and a political party tends to be drawn in the areas of political funding, the adoption of marketing strategies to attract voters and the interconnection of the business and political interests of the leader. The translation of organisational forms from the business sphere to that of politics, however, has so far been given little attention, with a number of exceptions noted below.

Second, in terms of their occurrence and importance, entrepreneurial parties are on the rise in many European countries. Beyond a new political style, they also bring new forms of internal organisation. The choice of the case analysed in this article is connected with this fact. The paper is conceived as a study of one party: ANO (meaning 'yes' in Czech) in the Czech Republic, founded by the billionaire Andrej Babiš, which scored a significant success in the 2013 parliamentary elections and went on to win the next elections in 2017. An investigation of this party can unearth interesting material for further comparative studies, conceptual discussions of entrepreneurial parties as a new organisational form, as well as for normative debates about the challenges that the mediatisation and marketisation of politics – not just of political communications, but also of political organisation and the execution of politics – pose to contemporary European liberal democracies.

The case of ANO is also relevant because unlike many other episodic efforts – including the Czech Public Affairs party, the Slovak New Citizen Alliance and the Polish Palikot's Movement – it has proved durable (e.g. Hloušek and Kopeček 2017; Kosowska-Gastoł and Sobolewska-Myślik 2017; Marušiak 2017). Further-

<sup>2</sup> For a detailed description of ANO's emergence and evolution, see e.g. Hloušek and Kopeček, 2017; Kopeček, 2016; for a political profile e.g. Hanley and Vachudova, 2018; Havlík 2015.

more, ANO is much more successful with voters than these other parties and, like Forza Italia, has government (coalition) potential. All of these facts, on the one side, help to stabilise ANO organisationally, and on the other, urge us to undertake a longitudinal study of the role played by business-firm elements in political-party organisation; their persistence and transformations. The main research question of this study is the following: how does the entrepreneurial origin of ANO manifest itself in its organisational features and party processes?

In order to answer this question, we have structured the article as follows. First we discuss the existing literature on entrepreneurial and business-firm parties, new forms of organisation and the state of the art as far as empirical examples from other European countries are concerned. Then we define our study in terms of the data and methods used. Next part focuses on organisational forms and party processes, with special attention given to the exclusivity of membership in ANO and its candidate selection. In order to understand party mechanisms better, we combine thematic and chronological approaches, allowing us to capture the dynamic evolution of the formation under study. In the conclusion, we summarise our findings and examine the generalised implications of these findings for the discussion about entrepreneurial parties in contemporary European politics.

## A business firm as a model of organisation: discussion of literature

The conceptualisation of entrepreneurial parties has enjoyed significant attention since the late 1990s, and the paper by Jonathan Hopkin and Caterina Paolucci (1999) remains the most-cited, though there were earlier reflections on related phenomena in party politics. For instance, Angelo Panebianco's classic work (1988) considered 'electoral-professional parties' among others, and, somewhat later, Robert Harmel and Lars Svåsand (1993), having analysed new right-wing parties in Scandinavia, came up with the notion of 'party enterprise'. Nonetheless, the definitions and descriptions of these new parties provided by individual academics differ. This is because authors highlight their various aspects, and sometimes also environmental differences. Thus, designations have appeared, such as 'media-mediated personality-party' (Seisselberg 1996), 'personal vehicle party' (Lucardie 2000), 'resilient entrepreneurial party' (Arter 2016) and 'corporation-based party' (Barndt 2014). André Krouwel (2006: 251) wrote about a 'business firm party cluster', which he places among the evolutionary models of political parties, i.e. cadre, mass, catch-all and cartel party. Beyond his own notion of 'entrepreneurial parties', Krouwel also noted Klaus von Beyme's (1985) 'parties of professional politicians' and R. Kenneth Carty's (2004) 'franchise organisations'.

For this study, however, our starting point is Hopkin's and Paolucci's article, because ANO combines elements of a business firm and a political party. As argued by Hopkin and Paolucci (1999: 332-334), a tendency to centralised organisation built upon the dominance of the founder-leader and an understanding of voters as political consumers. Remarkably, Hopkin and Paolucci did not conceptualise in detail the organisational implications of a private businessperson's entry into politics, even if their analysis of Berlusconi's Forza Italia offered several empirical examples of the translation of business-firm practices into party-political organisation. This aspect of the matter was grasped by other authors who studied the evolution of Berlusconi's party (Kefford and McDonnell 2018; Orsina 2014; Porro and Russo 2000; Seisselberg 1996). Incidentally, Berlusconi repeatedly proclaimed that a country should be run rationally, 'as a firm' (Ignazi 2010: 67) - and we can find literal analogues to this in Babiš's utterances. Similarly, a transfer of organisational models from the business sphere was empirically documented for Viktor Uspaskich's Labour Party in Lithuania (Simonaityté 2014) and Team Stronach in Austria (Pühringer and Ötsch 2013).

Krouwel (2006) highlighted the following traits as crucial to the concept of a business-firm party: a great emphasis on professionals – typically electoral experts and consultants; the exploitation of marketing techniques and the business (commercial) background of the leader; and the insignificance of a classic party apparatus that is common in mass parties. Barndt (2014) argued that organisational resources drawn from the business facilities of the founders – e.g. infrastructure, personnel, funding, advertising and promotional instruments and access to voters – were crucial for the success of business-firm parties. Drawing on Panebianco (1988, pp. 49–59) and other authors, Harmel and Svåsand (1993) noted the leader's organisational capabilities during the process of party institutionalisation (see also Arter 2016; Randall and Svåsand 2002).

We note that the existing literature tends to discuss some select characteristics of the penetration of commercial ways of thinking, organisation and management into politics, but remains insufficient in terms of considering the organisational, personnel and other managerial models employed in entrepreneurial parties. Our analysis of the mechanisms operating within ANO hopes to fill this lacuna to at least some extent. ANO represents a party which is empirically demonstrates very high level of penetration of business practices into organisation and internal life of a party. We will demonstrate that this translation of business organisational and steering models leads to specific centralisation which takes different shape compared to stratarchy envisaged by the concept of the cartel party (Katz and Mair 1995: 20–21) which on the one hand increases independence of the party leadership, yet leaves local branches of the party in relatively autonomous position. We will show how the temporary tools of intra-party power relations as well as mechanisms of selection of

candidates were fixed following the logic more similar to a centralistic private company than to a internally democratic political party.

### Methods and data

Our study is conceived as a qualitative analysis of party organisation and decision-making mechanisms within ANO. The timeframe of our study is the period 2012/2013-2018. There were two parliamentary elections within this period. In the first (early) elections in 2013, ANO placed second with 18.5 per cent of the vote and became a member of a coalition government alongside the Social Democrats and their junior partner, the Christian Democrats. ANO went on to win the next elections in 2017 by a landslide, polling 29.5 per cent of the vote and, after much rigmarole (including an unsuccessful attempt to push through its own single-party government), in summer 2018 formed a minority coalition government with the Social Democrats, supported by the Communists during a parliamentary vote of confidence. The party's electoral successes – including at other levels of politics such as local and regional - and its continued ability to access government positions have had positive effects on ANO's gradual stabilisation. This means that a qualitative analysis can produce conclusions concerned with the principles according to which the party is administered and the presence of managerial structures within it, while noting the limits to their implementation – given that, after all, the party does have some autonomy vis--à-vis the corporate structure of Babiš's holding company, Agrofert.

The data for our analysis come from three main sources. The first is the party's statutes: we tracked how they changed over time and sought traits that corresponded to a corporate model of organisation and management rather than to principles of intra-party democracy. Evidently, these formal rules could not capture all the aspects of the party's functioning; there was an informal intra-party culture with its own mechanisms that might have changed or stabilised throughout the period observed. For this reason, we used journalistic articles on ANO's functioning as our other source. Interviews with party representatives at various levels of politics and with people who were involved in election campaigns or were responsible for the party's organisational and personnel matters provided a third source. These interviews suitably filled us in on missing information and helped us to understand the 'blind spots' in ANO's functioning.

### Financial and media resources and their exploitation

The ANO project was born in 2011 when Andrej Babiš, the owner of a large agricultural and chemical business empire Agrofert, consisting of more than 200 companies with nearly 30,000 staff, started to appear widely in the media with his censure of political corruption and incompetence of politicians. One

of Czechia's richest inhabitants, Babiš did not mince his words, speaking about a 'Czech Palermo' and 'Godfathers', pitching his message to appeal to a population disgruntled with economic recession and the unpopular centre-right coalition government led by the Civic Democrat, Petr Nečas (Havlík 2015). The scandalous circumstances of this government's fall in summer 2013 played into Babiš's hand: the police raided the Government Office, arresting the head of the prime minister's office (who was also the PM's lover), several Civic Democrat ex-MPs and leading figures in military intelligence; they were charged with corruption and misuse of office.

Babiš began already in late 2011 by establishing a civic association which he soon transformed into an organisation that could stand for election. However, the founding father stewarded his property carefully, and had the main identification marks – i.e. the party name, logo and its principal slogan for the 2013 elections, 'YES, things will get better' – registered as trademarks with the Industrial Property Office (the patent office) in his own name (Štický 2017). He left the basic activities necessary for the party's day-to-day functioning in his holding company. For instance, ANO's accounts were managed by Agrofert's financial director (Stauber 2015) and, similarly, local firms within the group usually let their offices to ANO regional branches. For the 2013 election campaign, thousands of company cars were covered with ANO advertising and, arguing that it wanted to strengthen the image of its products, one of Babiš's firms booked extensive coverage for a TV advert on the major private TV stations prior to the election, in which a cheery Babiš appeared selling a chicken to the country's most popular ice-hockey player.

The size of the funding invested by Babiš into his political project corresponded to the business-firm party concept. Until 2013, all expenditure on the ANO start-up flowed from the business activities of Babiš's holding company and his own pocket. After its electoral success, ANO became eligible for substantial state subsidy, thus weakening but not completely eliminating the party's dependency on funding from Babiš and Agrofert – a dependency that had been total at the outset. Babiš has remained a major source of investment for ANO, now taking the form of regularly-granted interest-free loans. He granted the first such loan immediately before the 2013 elections and others followed. Thus, in late 2016, the party owed Babiš nearly 6,000,000 euros. To grasp the importance of this interest-free lending, we note that in the same year ANO's total income was about 9,700,000 euros and its expenditure exceeded 6,800,000 euros (Party financial report 2017; Šíp 2018).

Financially the party has remained closely tied to its leader. Babiš's words from the time he founded ANO – that he would give 'as much as will be necessary' (Fejtková 2011) – have held true. In 2017, however, a new law forbade lending by natural persons to political parties – importantly the law was adopted in connection with public criticism of the manner in which ANO had been funded.

Another important change was the introduction of spending limits on electoral campaigns. This was again connected with the fact that in the 2013 elections ANO had practically unlimited financial resources at its disposal, placing it at a significant advantage over other parties, which could invest much less in campaigning. Thus, for elections to the Chamber of Deputies (the lower chamber of the Czech parliament), a legal limit of 3,500,000 euros per party was established. This created minor complications for ANO ahead of the 2017 elections, because it could not put on as massive a campaign as it wanted to, and had to moderate its expenditure much more than in 2013 (Pustějovský 2018). However, this was not a major obstacle and the efficient party machine managed to cope.

Beyond direct investment in party operations, Babiš's purchases of media assets are noteworthy. Unlike Berlusconi, the ANO leader owned no media outlets until very shortly before his entry into politics. He bought media gradually, his most important acquisition was the Mafra media group including two dailies and the most popular radio station shortly before the 2013 election (in details e.g. Havlík 2015; Cabada 2016). Completing this purchase, Babiš was quoted saying that he wanted 'the newspapers not to write lies about him' (Sacher 2013). In early 2017, Mafra together with all the other Agrofert group companies were put into trust funds not directly controlled by Babiš, but indirectly influenced by him; this changed nothing in practices of the media outlet to campaign for the politicians of ANO and to spin doctoring of controversies surrounding Babiš.

## Building the organisation structure: a shift from informal to fixed mechanisms

To make ANO a lasting success, it was necessary not just to provide funding and media support; a party organisation also had to be built, including local and regional branches. In doing so a top-down approach was applied from the very beginning. The founders of local and regional organisations were coordinators selected and paid by the headquarters in Prague. Very much like recruitment to a business, when they joined the party they were subjected to psychological tests. At the same time, these coordinators became the very first ANO members. The building of a strictly centralist party with the leader as the focal point was nevertheless affected by the leader's lack of political experience. Thus, at a congress in spring 2013, people were elected into the party leadership group who understood ANO as an opportunity to promote their own, sometimes idealistic, ideas about how social and political change ought to be pursued in Czechia. (The psychometric testing they had undergone at their admission to the party failed to uncover such 'aberrations' and so the party discontinued it.) In an ensuing conflict with most of his deputy chairs, who sought to gain influence over the direction of ANO, Babiš easily asserted his superiority by arguing, 'I pay, I decide' (Koděra 2013). This easy pacification of dissent in his party was much facilitated

by the controls exerted from party headquarters; by the fact that his supporters had a majority in the party presidium (an inner leadership made of the party chair, deputy chairs and a few other members elected by the Congress); as well as by the ANO statutes, which concentrated most power into his hands and allowed him to act 'independently in all matters' (Statutes ANO 2013).

Let us demonstrate it on the candidate selection process before 2013 elections. For the 2013 elections, ANO candidate lists were compiled by the party's regional organisations, in accordance with the statutes. But it was Babiš and a not entirely fixed circle of people around him, largely made up of hired electoral experts and members of the party presidium, who had the main say in choosing the candidates for the top – i.e. the most attractive – positions in the candidate lists (Kopeček 2016). In selecting these top candidates, the emphasis was placed on creating the most attractive offer possible to voters. Thus, national or local notables who joined ANO ahead of the elections were frequently selected. Professionally they were often managers or businesspeople. In some cases they were recruited under time pressure as late as August 2013. This was because the elections were called early. Those approached sometimes had no prior links with ANO.

A good example is Martin Kolovratník, the director of the Pardubice station of Czech Radio, who was approached by the ANO (and Agrofert) human resources officer, Daniel Rubeš. Kolovratník described it as follows: 'The offer came on Friday. I said this is an interesting offer, but before I make a decision – this would completely change my life – I'd like to meet Mr Babiš personally. That was arranged over the weekend and on Monday I saw Babiš for half an hour [...] in the evening I received the following from Rubeš: OK, you've convinced him, you've attracted his attention, we offer you the position of regional leader' (Kolovratník 2018).

When nominating ministers for ANO into the coalition government after the 2013 elections, Babiš proceeded in a similarly informal manner: he discussed the matter with a few of his closest collaborators, and conducted *ad hoc* consultations with experts in relevant areas (Kolovratník 2018; Pilný 2018). He did likewise when replacing ministers in this government, in creating a minority single-party ANO government after the 2017 elections (which failed to win the parliament's confidence) as well as the next government in summer 2018. Whether the ministers nominated were or were not ANO members mattered little to Babiš.

At ANO's inception, the people who came together under its banner often had no prior acquaintance with each other. For this reason, in creating candidate lists for the 2013 parliamentary elections, ANO headquarters sought to run basic checks on its candidates, concerned with such matters as their debts, whether they were subject to distress warrant as well as their prior membership of other parties. However, due to lack of time, the checks on candidates below the level

of leader in any given region were superficial. This meant that before and after the elections, ANO found itself in embarrassing situations that attracted media attention. In two cases, two of ANO's MPs even had to give up their seats due to their past sins: one had been a political commissar before 1989, i.e. he had indoctrinated a military unit in communist ideology, and the other had massive debt problems (Kopecký 2013).

With the 2014 local elections approaching, ANO responded to those affairs that attracted undesired media attention with more thoroughgoing checks on its candidates. The vetting was overseen by the party's new general manager. Her team first established as much as they could about the candidates' pasts from publicly available sources – they focused on similar matters as when parliamentary candidates had been checked before selection – and then interviewed them. This vetting from the party centre was unprecedented among post-1989 Czech parties, as it affected several thousand people. Based on their findings, ANO substantially revised the order of candidates on some lists; rejected a number of candidates; and even completely scrapped several local candidate lists (Kudláčková 2014).

The results were not particularly satisfactory, because soon after the local elections there appeared numerous conflicts among the newly elected ANO office holders – some of these were differences of opinion, others of personalities. Some of the elected refused to obey instructions issued by the party headquarters. These problems affected not just the non-partisans elected on ANO's ticket but party members as well. In pacifying these conflicts, the ANO leadership expelled rebellious members *en masse* and shut down local and even district-level organisations, even in large cities such as Ústí nad Labem, Karlovy Vary and Liberec. The price the party paid for this was a damaged image, as well as loss of many of the recently won local public offices. Contrasting with this was strong cohesion of the ANO parliamentary party throughout the period 2013–2017, with its MPs united as one when voting on bills (Hájek 2017). This was despite most of the ANO MPs not knowing each other at the time of the 2013 elections; many of them being distinctive personalities; and overwhelmingly having no prior links with Agrofert.

Certainly, one reason for this cohesion was the shared managerial or business origin of many of the MPs (Cirhan and Kopecký 2017). Also important was the approach of Babiš himself, who proved a good human resources manager. Unlike his ministers, for instance, he could not simply replace his MPs. He was not authoritarian when approaching them and did not sternly push through his views on the matter under discussion; he was careful to listen to his MPs. He would expect ANO ministers to explain their actions in the ANO parliamentary party on request. An even more essential role was played by Jaroslav Faltýnek, a member of the Agrofert inner leadership, who was the chair of the ANO parliamentary party and a good communicator. Faltýnek was valuable to

Babiš not just for his loyalty and organising skills but also because prior to ANO's founding he had been a Social Democrat for many years – albeit only in local and regional positions – and thus had significant political experience. As the chair of the parliamentary party, Faltýnek acted as a mediator, quelling disputes and always finding time to listen to rank-and-file MPs. This helped to attenuate conflict and dissent (Kolovratník 2018; Pilný 2018).

Let us now return to the evolution of candidate control mechanisms in ANO and the early expulsion of those found unsuitable. The experience of parliamentary and local elections, described above, led the party leadership to enshrine in ANO statutes efficient instruments for altering candidate lists. This meant that, at a party congress in early March 2015, the powers of the leadership were broadened. Beyond its existing power to approve candidate lists, the committee (*výbor*, a broader leadership body consisting of the members of the presidium and chairs of regional organisations) was given the power to strike off and reorder candidates on lists for elections to all public offices. The presidium was then given the option to nominate candidates for all elected public offices (Statutes ANO 2015). These two amendments gave the party leadership practically unlimited power to amend candidate lists in the future.

Similarly, the 2015 congress passed a motion that clarified the process by means of which the party presidium approved regional chairs once they were elected by regional congresses. This measure drastically limited the autonomy of ANO regional organisations; although it had been previously present in the statutes, the wording had been vague. The purpose of this amendment, effectively giving ANO leadership a veto, was similar to the power, also granted to the leadership, to freely amend candidate lists. The party leadership was given the power to prevent anyone 'objectionable for media or other reasons' from becoming a regional chair (Pustějovský 2018). This also sent a clear signal to the regional organisations to the effect that the party leadership had a powerful instrument to correct any 'aberrant behaviour' by regional leaders.

Equally remarkable was how the March 2015 congress was masterminded. Lessons were learned from the uncontrolled course of the previous congress in 2013. In 2015, Babiš, the only candidate for party chair, obtained the votes of all delegates in a secret ballot. The election of other members of the leadership then observed the views of the chair. Babiš publicly announced that he would like his loyal Faltýnek to be elected the first deputy chair, and the counter-candidates duly resigned their candidacies. Similarly, the leader's opinion was decisive when other deputy chairs were elected. There was virtually no discussion at the congress – a marked contrast to the two previous congresses in 2012 and 2013. Rather than a party-political event, the congress was redolent of the annual general meeting of a company dominated by a single shareholder.

The 2015 congress was a watershed, marking the shift from a rather informal model of management, where influence in the party derived not so much from

holding party office as from actual closeness to the leader, to a model that was substantially determined by official party positions. This brought greater stability and clarity to decision-making, but did not actually alter in any way the pivotal role of the leader and the party's strong centralism.

The next congress in 2017 adopted another safeguard, giving the power to strike off candidates and freely amend candidate lists – previously a matter for the presidium – also to the party chair. This safeguard had been previously in place informally, as confirmed by Richard Brabec, a deputy chair, after the congress: 'Mr Babiš, of course, has always had that informal position, even within the presidium, of being able to influence matters personally, because whether you put it into the statutes is one thing, but whether your influence in the movement is such that you can simply do it, is another' (ČRo Plus 2017).

After the 2016 regional elections, there was much less conflict among ANO elected office holders than there had been following local elections two years previously. In part this was due to the fact that many fewer people stood for regional election on ANO's tickets than in local elections, and thus could be more easily vetted. More importantly, most of them were ANO members, and as such subject to checks under an already established regime, described below.

The situation prior to the 2017 elections to the Chamber of Deputies was different compared to 2013. When it was time to draft candidate lists for these elections, the party's geographical structure was already stabilised, in marked contrast with the 2013 elections to the same body, when party structure was still nascent. Now, ANO regional congresses approved lists of candidates as suggested by regional presidiums, and the order of candidates was influenced by the views and agreements of self-confident local elites who could rely on their numerous positions on local and regional politics. To some extent, ANO came closer to earlier Czech parties, whose geographical branches (especially regional organisations) traditionally exerted significant weight. And yet, there was always the risk that the ANO leadership and chair would use the strong powers awarded to them, and this effectively prevented any serious autonomy among regional branches. Indeed, during the nomination process, Babiš sent out signals of his readiness to interfere with candidate lists to the party's geographical branches. For example, comprehensive information was sent to the regions about the work of the party's MPs in the Chamber, accompanied by the leader's statement that 'when discussing candidate lists one must have a clear evaluation of them' (Adamičková and Königová 2017).

Thus, situations where a popular ANO face wishing to stand for re-election did not obtain a position at the top of the candidate list or below, or people were placed on candidate lists who proved problematic for the party headquarters for one reason or other, were rare. The ANO presidium and committee corrected the greatest 'deviations' during the final approval of candidate lists in late June 2017. Thus the chair did not have to exert his special power of veto.

At the end of the party's founding period, the statutes as amended granted the party chair and leadership efficient control over candidate selection. The newly installed safeguards worked well.

### **Exclusive membership**

Alongside the checks on candidate lists, it was the extreme exclusivity of ANO membership that played an important role in securing party cohesion. A few figures will help to orient the reader. Shortly before the 2013 elections, ANO had only about 800 members but nearly 7,000 membership candidates (Smlsal, 2013). This reflected the attractiveness of these elections' emerging black horse, one that prospective politicians were well advised to mount. However, most of those interested were left standing outside the party's gates. This was a deliberate strategy. Before the 2013 elections, Babiš claimed that his party was not about having 'thousands of members, but, primarily, sympathisers and prospective voters' (Válková 2013; cf. Charvát and Just 2016).

Nor was there a significant increase in the following years and in late 2017 ANO still had only about 3,000 members, despite the substantial interest after the party had won the parliamentary elections. To compare, we note that in 2017 other Czech parliamentary parties had much larger memberships, to wit, the Social Democrats, ca. 19,000; the Civic Democrats, ca. 14,000; the Christian Democrats, ca. 25,000; and the Communists, ca. 40,000 (Brodničková and Danda 2018).

The origin of the exclusivity of ANO's membership is again found in the party's statutes. Prospective members have to agree with the party's statutes and its moral code, submit a CV and declare that they are free of debts and have no criminal record. Since the 2015 congress, they also have to attach a statement from the state criminal record repository, thus giving the documents they produce a seal of official approval. A candidate's application must be approved by local party presidium. This triggers a six-month waiting period, after which the membership is approved (or rejected) by the ANO presidium, i.e. the inner leadership. This admission process makes ANO much less accessible than earlier political parties.

Interviews with ANO politicians show that this is no formality, but has gradually become a stable and strictly followed procedure. The most important filter is applied to membership candidates at the very beginning of the process. As explained by the chair of the party's organisation in the second largest Czech city, Brno: 'We collect all those documents and only when the dossier on the person is complete does the admission process start [...] Obviously, if there were some fundamental issues, for instance in the criminal record, there would be consequences' (Dvořák 2017). The documents submitted by applicants are today checked by professionals: regional ANO managers.

The half-a-year waiting period to which membership candidates are subjected is understood 'as a protection period from unknown people', as it has been aptly described by the chair of a regional organisation and ANO chief manager in 2017 (Pustějovský, 2018). In other words, this period is another safeguard. During the waiting period it is established whether the candidate is willing to become involved in party activities. The period can be shortened or waived for people in which ANO has a special interest, typically popular mayors or other notables.

ANO checks not only its prospective but also its actual members. This is clearly stated by a requirement added to the statutes at the 2015 party congress, requiring members to notify the party if they are subject to 'any proceedings, especially criminal, offence or distrain proceedings' (Statutes ANO 2015). Thus, in theory, members should notify the party even of such minor failings as parking offences. Such a broadly conceived control mechanism has no parallel in any other Czech party. In practice, this provision is applied benevolently, because it is difficult to enforce. Its main purpose is damage limitation to the party image; what matters is that, should a senior party figure commit some misdemeanour, they will be ready to answer journalists' questions and avoid being caught out (Malá 2018).

ANO also has a simple and effective mechanism for getting rid of an undesirable member (or membership candidate). The decision to expel a member is taken by the party presidium, with immediate effect. In this process the party's geographical branches play a secondary role, and should a dispute arise it is the party leadership which has the main say. Although the expellee can appeal to the party's arbitration and conciliation commission, this does not have a suspensory effect. Some of the reasons for expulsion are vaguely formulated in the statutes, even though they have been made more specific over time. According to current statutes, 'acting at variance with the interests' of the party is a sufficient reason for expulsion (Statutes ANO 2017). There is nothing more specific than this, and what this means is ultimately decided by the presidium. Thus, Babiš's party can easily and quickly expel problematic or undesirable members. The greatest wave of expulsions in ANO followed the conflicts at the local level, as described above.

# 'We're Babis's team!' The stabilisation of electoral-professional background

Electoral and marketing experts and analysts have been essential for ANO's political success. What prior to the 2013 elections was a quickly assembled group of people working on the campaign has in subsequent years developed into stable communications, marketing and analytical service facilities of ANO. Top experts, originally hired temporarily, have become a permanent fixture of these facilities. This establishment of services has been connected with the frequency

of elections in the country: in 2014 alone, there were no fewer than three polls (European, local and to the upper chamber of the parliament). Even more important was the decision to wage a permanent campaign in support of Babiš's and ANO's government image. The analysts have also undertaken other tasks, for example, preparing materials for the party's MPs and updating data collected on voters and other matters (Bastlová 2016; Matušková 2015; Prchal 2017).

The entrepreneurial origin of the party has, curiously, left its marks on its terminology. For several years and based on a managerial decision, the ANO expert facilities were split into 'divisions' (*divize* – a term that in Czech has evident business connotations). This was more of a formal matter without fundamental consequences, but it did illustrate how party politics was colonised by the corporate thinking brought over from Agrofert. According to Marek Prchal, a marketing expert and officially the chief of the new media division, what remained crucial was a 'strong informal structure' associated with creativity; it was not essential that people sit together in an office ('we are not an authority'), because 'I can work anywhere' (Prchal 2017).

Crucially, Andrej Babiš has continuously informed the contents of ANO political communications. As Prchal expressed it, 'We work for the Boss, others [i.e. ANO politicians] can have an opinion, but he decides, he lives for it' (Prchal 2017). These words confirm a widely shared perception of Andrej Babiš within ANO. The substantial impact of well-managed party communications is documented by the fact that Babiš's profile on Facebook – the most important social network in the Czech Republic – has long been among those with the largest numbers of followers in the country.

The victorious wave which ANO has ridden since 2013 increased the certitude and self-confidence of the people in charge of its political message, and created a nearly boundless trust within ANO in their abilities. Thus, electoral and marketing experts could act with a substantial degree of autonomy, and not pay too much attention to the views of the broader ANO party elite. This included even highly visible materials such as a massive billboard campaign in a playful spirit, featuring Babiš and smileys, deployed by the party at the climax of the 2017 election campaign. The party's regional leaderships were not aware of these before they were put up, and some regional chairs disliked them very much (Malá 2018). The electoral-professional service facilities in ANO, with the leader as the focal point, therefore maintained their privileged position within the party even after the end of its foundation period.

#### Conclusions

To introduce the summary of our findings about ANO's internal functioning; the following quotation from the chair of one of its regional organisations seems apt: 'When you put your money into something, you've an interest in the

thing working well. And it'll work as long as it is managed.' (Pustějovský 2018) This aphorism characterises the dynamic and the logic of the party's transformations. ANO was born as a political project based on Andrej Babiš's objection to the corruption and incompetence of politicians and his offer of a technocratic solution, which fit well with the popular moods at the time. Essential for the success in the party's first phase of existence were the resources of the leader – including funding, personnel and other matters – that permitted the foundations of the party's organisation structure and its electoral-professional facilities to be built.

A stabilisation and routinisation of many party mechanisms was crucial for the establishment of ANO. The party's initial relatively informal management was soon replaced by much more official processes and structures, without this substantially affecting the centralism of its decision-making, concentrated on the figure of the leader. The creation of a robust system of safeguards was important for turning ANO into an efficient and loval machine, operating on all levels of Czech politics. This included the vetting of candidates for public offices; significant barriers created to those wishing to join the party; strict control over membership; and approval of regional chairs by the party leadership. The beginnings of this system date from ANO's founding phase, but it was developed, made more precise and consistently implemented into party life only in the second phase of its development after the 2013 elections. Essential for this consolidation of the organisation were the amendments to statutes adopted in 2015 and, to a lesser extent, in 2017. The safeguards were set up in such a way as to effectively eliminate disloyalty of lower party branches and the rank-and-file. In some cases – such as the presidium's power to approve chairs of regional organisations and the leader's power to amend candidate lists freely - the safeguards have been primarily preventive and cautionary in character.

The party's electoral-professional service facilities, which are crucial for ANO's efficient political communications, also underwent a change after 2013. Starting as a quickly assembled group of experts who were improvising, it quickly mutated into a self-confident team enjoying a strong position in the party, which continues to be closely linked with the leader. Also important for ANO is the media empire that Babiš created during his involvement in politics: this supports the party's communications and improves its image.

What are the general implications of these results for the discussion about entrepreneurial parties in contemporary European politics? The example of ANO shows both how business practices are translated into politics and their limits. Interestingly, the mechanisms of centralised and strongly executive decision-making are present not just in the internal life of entrepreneurial parties, but also in their discourse. One of the interesting fields for future research, then, will be to observe how the activities and successes of entrepreneurial parties in European countries blend with such trends as the personalisation (Karvonen

2010), de-parliamentarisation (Strøm et al. 2006) and presidentialisation (Poguntke and Webb 2005) of politics.

This article was, however, focusing on the translation of business firm practices into internal organisation and internal life of the party. The analysis of the transformation of ANO in the period 2013–2017 showed constant presence and even increasing importance of these organisational features. The many informal but also formal control mechanisms applied to candidate and member selection show that entrepreneurial parties have been relatively successful in transferring the principles of human resource management from the business to the political sphere. Although these mechanisms cannot fully prevent the appearance of defiant or problematic politicians, they evidently allow for the quick and flexible replacement of inconvenient or discredited candidates. Ultimately, this application of human resource management principles strengthens the position of the leader and the central party apparatus, making the position of the party elite dependent not on the will of its membership – which in any case is not very populous – but on selection and control exercised from above. We demonstrated that the entrepreneurial parties differ not only from cartel parties but from other types of new political parties and movements filling the niches on electoral market in the context of the economic crisis in Europe (Coller et al. 2018: 1-9). Such parties are typically offering much wider space for intra-party democracy than the incumbents. Entrepreneurial parties are following exactly opposite strategy centralising internal decision-making and candidate selecting processes. The analysis of ANO demonstrates not only this very fact but encourages further elaboration of the very concept of the entrepreneurial party by stressing business-like intra-party mechanisms as well as analysing the limits posed by still present 'political' features.

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