

DE-INDUSTRIALIZATION AND RESTRUCTURING IN A TRANSITION COUNTRIES: CZECH INDUSTRY AFTER TEN YEARS OF TRANSFORMATION

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Abstract: The questions of both broad and narrower sense of transition, transformation reforms and processes (with special attention to the role of state and privatization) are discussing. The course of deindustrialization and restructuring of Czech industry is evaluated as an important result of the transition of the whole society, economy, and territory.

Klíčová slova: transformation (transition), reforms and processes of transformation, privatisation, restructuring of industry, deindustrialization

1. INTRODUCTION

The paper deals with main tendencies of the transition of Czech industry as an integral part of the processes of transformation that occur in the Czech society and economy during the post-1989 period of "return" to democracy and market economy. It provides a geographical analysis of processes and subjects, actions and reactions, changes and adaptations. The analysis is made in the view of needed convergence with the developed countries (i.e. with the European Union), focusing on the transition of Czech economy and its industries. After ten years of the transition, there is a good opportunity to analyse this complex and difficult process and assess its results (in society, economy, and in geographical space). Obviously only an overview of selected topics can be provided. First, some theoretical and methodological questions of transformation of advanced countries in comparison with post-communist ones are

discussed. Second, the role of state in the transition processes is described. Individual transformation reforms and processes create content of the third part, from which the process of privatisation plays the key role (part four). Following parts show the changing role of indicators in the process of transition and the deindustrialization in the frame of transformation. Main tendencies are delivered in the conclusion.

2. CHANGING THEORETICAL AND METHODOLOGICAL CONDITIONS AND APPROACHES AS A RESULT OF TRANSFORMATION

The terms - *transformation* or *transition* indicate in a *broad sense* the development of society, economy and territory after the revolutionary change of the whole political and economical system. Such an approach is typical for the countries under the transition (*Jonáš 1997, Švejnar 1997, Hampl et al 1996, 1999; Transformation processes., 1996*). As a historical process, the post-communist transformation (transition) began after the collapse of the Soviet orbit. Most of the nations have started a protracted and difficult institutional transformation of the etatist-socialist regimes and economies towards the pluralism of an open democratic society and a diversified structure of economic property in which the private sector and market system of resource allocation perform pivotal roles (*Dostál 1998*). **Privatisation became the key mechanism of the transition** (*Frydman, Rapaczynski 1994*). How and to what extent were fulfilled these basic transition pre-requisites in industry in the Czech Republic during ten years of the transition?

Transitions have to start with the heritage of long-term historical development and under the impact of changing external and internal conditions. About 200 years of the industrial development on the present territory of the Czech Republic is important heritage. During this long period, complicated processes of periodical transitions, on-going restructuring and changes in geographical distribution of the Czech industry took place. In the background, there were changing geopolitical a geo-economical conditions, new situations and orientations, issues of state's size and organisation, system of society and economy, development in science and technology, changing relevance of resources, etc. Industrial regions formed in the past (especially after 1948) got into the new conditions of the transition after 1989 (collapse of communism) and the division of Czechoslovakia and foundation of the Czech Republic on 1.1.1993. The process of multiple transition and restructuring of the Czech society, economy, industry and territory have been significantly influenced by the past development.

There took place two basic historical transitions or reversals of the whole system on the territory of the Czech Republic during last 50 years: after the communist coup on February 1948 and after the November 17, 1989. But, we have to add another period 1938-1948 of the WWII, its severe geopolitical and geo-economical changes of loss of

one third of population and a rise of serious regional problems (*Kopačka 1994a, 1994b*). These periods mentioned influenced strongly the structure and geographical distribution of industrial and other economic activities and their spatial organisation. Although the period of socialist industrialisation and transformation took more than 40 years of two hundred-years' development, it caused the greatest problems to be solved during the period of transition after 1989. To a great extent, the transition process has a reversible character.

The post-totalitarian countries are solving basic transition processes leading to market economy and elementary proportions between society, economy, industry, and territory in new conditions. The situation is quite different and another approach is usually used in the western industrial developed countries. The term transformation (transition) is used in the *narrower sense* for revolutionary structural changes. They are connected for example with such themes as **de-industrialization, crucial events** (transformation of the world economy after oil crisis) or **changes of technology** (high-tech, information), **organization** (small and medium-sized enterprises - SME's), **space, location, regional policy and planning, FDI** etc. (*Hayter 1997, Bell 1974, Blackaby 1979, Martin, Rowthorn 1986*). **While the Czech Republic has to solve great structural problems connected with geopolitical and geo-economical reorientation from the East to the West after collapse of socialism and eastern "market" in the all spheres of society, economic, industrial life, the advanced countries can continue in the development towards the information society.**

The transformation process is difficult and there are no historical experiences with change of communist regimes into capitalist ones. Individual former COMECON countries had, and have **different geographical position, pre-requisites, historical experience and traditions, contacts with developed countries and emigrants, economic, educational and cultural maturity**. For some of these countries, it is the first experience in transition to a pluralistic parliamentary system and market economy. For some of them, however, such as the Czech Republic, it is only a come-back to social and economic system which existed there before the era of communism when Czech Lands belonged to the developed part of Europe. All post-communist countries aim at new geo-economic orientation to the developed world (EU) more or less individually, having similar structural problems of the heritage of socialism. **They do not try to solve the transition problems by mutual or bilateral co-operation due to frustrating experiences with former integration in the frame of COMECON and inherited structures, which can be changed only by capital, know-how, technologies, and collaboration with the advanced countries of the west.**

3. THE ROLE OF STATE IN THE PROCESS OF TRANSITION

The role of the state in the processes of transition of Central and Eastern Europe is very important and the question arises of how it is effective. We can recognise several

principal functions, tasks and targets, and the present and future role of the democratic state in the process of transition and in the development and structural changes of economy and industry. The modern state creates strategies and conditions and through legislation, rules, norms, taxation scheme, economic, regional and social policies the state attempts to direct activities of private subjects to common interests. The central state introduces:

- a) **conceptions of development aimed at long-term targets and ideas** (implying clear conceptions of further development and changes based on both international and domestic pre-requisites and conditions, R & D and practical experience, past and future, resources and barriers etc.);
- b) **projection of these conceptions to the concrete developmental policies** (foreign, economic, industrial, business, social, regional, housing, municipal) **and creation of adequate mechanisms;**
- c) **regional and local administration, territorial administration, legislature, and justice** (for example Poland was initiatively able to accept drastic reduction of the number of regional administrative units according to purposes of future EU-membership);
- d) **creation of external and internal entrepreneurial milieu** supporting economic development and small and middle-sized enterprises;
- e) **budget and financial function** (taxation);
- f) **security function at international (NATO) and internal levels** (protection of law and property, common and economic crime, safety, corruption, black and shadow economy, international and domestic crime like factors of political, social or economic destabilization).

The state fell short of expectation in realisation of basic targets mentioned above during the process of transition of the Czech society, economy and industry, **to some extent because of the bureaucracy, corruption, and inefficient tendencies and behaviour of institutions and officials.** It caused a slow down of transition in the second half of 1990s resulting in a decline of economy. The process of transition was also degraded by co-existence with the people's attitudes from the former regime and with the rigid inertia reinforced by a lack of capital. The importance, strength and adaptability of exponents of the former regime were underestimated and they "transformed" themselves instead to transform industry, economy and society. They took advantage of contacts and experiences and occupied key positions in the economic sphere and, most importantly, also in privatisation process. Only in the political sphere, they temporary withdrew (*Večerník 1998*), **but they attempt to return back also in this sphere during last time.**

4. TRANSFORMATION REFORMS AND PROCESSES

Within the transformation processes, we can distinguish *reforms* and individual *processes* of transformation. In the case of the Czech transition both components are realised simultaneously: the change of the whole system and the belated adaptation to the changes in the world economy (especially after oil crisis) and scientific and technology development and concomitant structural and regional changes and shifts.

Historical adaptation processes connected with the oil crisis of 1970s started the restructuring of the world economy and contributed to the tendencies of globalization and informatization of society. The world distribution of economic activities, structure, spatial organisation, and relationships showed principal transformational shifts and changes (*Dicken 1992, Berry, Conkling, Ray 1993*). It was during the period when the rigid communist regime totally controlled the societal and economic affairs in former Czechoslovakia (1969-1989), deforming the structure of economy and industry contradicting to the above-mentioned tendencies transforming the developed countries.

Both the transition from capitalism to socialism after 1948 and again to capitalism after 1989, have many specific features stemming from the substance of the socialist system and from the fact that this system was retarded and needed a change. The transformation from capitalism to socialism (Czechoslovak experience after February 1948) was characterised by *nationalization, socialist industrialization, collectivization, nivelization*, etc. The current transformation to capitalism is connected with quite different and reverse processes such as *privatization, restitution, deindustrialization, differentiation, decentralization, restructuring*, etc. We can assess how successful were above-mentioned processes both during the period of socialism or during the ten years of transformation after 1989 (it is one quarter of time of socialism) and which problems complicated the course and contents of transition.

The individual transformation processes which started after November 17, 1989 have created an integral complex and influence each sphere of political, social, economic, industrial and regional life of the Czech Republic.

First, there are *political processes* (creation of institutions of the democratic state, legislature, law, norms, international relations etc.) Inconsistent, half-hearted, imperfect and deformed realisation of political reforms which were not able to solve problems and debts of the communist past including concrete personal responsibility (it is valid for the period of transformation too). Political processes and created conditions for further progress of transition evoking political, societal and social stagnation and in the second half of 1990s also decreasing motivation and satisfaction with the course of changes. Developments in the sphere of legislation, rules and justice (economic crime, to a great extent legal because of vague legislative) degraded the process of transition in particular.

The above-mentioned tendencies influenced *economic processes* (transformation of sectors, branches, size, organizational structure of economy and industry, technology, foreign trade) and *social processes* (employment and unemployment, education, health service, demography and population development), and finally *territorial and regional*

processes (differentiation between metropolitan and rural areas, border regions, industrial regions, transport, infrastructure).

During first half of ten years period of transformation the satisfaction with changes was high despite of heavy burden on population connected with the liberalization and increasing prices, the devaluation of currency, the collapse of eastern markets (COMECON), the split of Czechoslovakia, the privatization and difficult adaptations of industry, economy and society to quite new conditions. The economic and industrial development in the second half of the hitherto transition changed into stagnation in 1996 and in 1997-1999 in clear decline. Evident economic crisis, connected with open political crisis, they have had clearly internal causes. External conditions are quite favourable, both developed countries and some transition countries under the transition (Poland, Hungary, Baltic states, Slovenia, Slovakia) show better results measured by GDP. What are the main factors of this unsatisfactory transition?

5. PROCESS OF PRIVATIZATION

Privatization occupies a key position in the process of transition of the Czech economy. Yet, it also creates problems. The main forms of the Czech privatization were adopted: restitution (exactly statistical data do not exist, the property restituted during 1990-1993 is estimated at CZK 70-120 billion), transfer of state property to municipalities (by virtue of law in 1991 CZK 350 billion) and small privatization (there were 22,212 small units sold exclusively through public auction for actually amount 30,052 million from January 1991 to the end of 1993) and large-scale privatization of a combination of a largest coupon privatization (free transfer of 80 % of shares in two waves - the offered property of the first wave 17.2.1992 - 31.12.1993 was CZK 212,5 billion and of the second wave 1.10.1993 - 3.12.1994 155 billion respectively) with standard privatization methods (*Doing Business*, pp. 11/15-17). The privatization methods used are demonstrated in Table 1.

So-called "Czech way" (privatization by the domestic subjects without capital comparable with the foreign investors) played strong role.

The privatization was not only realised in an inconsistent way and many formerly privatized firms are in fact still owned by state. However, it was an opaque process that caused growing distrust to the process and to people connected with it. For instance managers of state firms elaborated 21 % of submitted privatization projects, but their share in the certifying projects was 82 % (*Večerník 1998*). The privatization of big industrial firms by domestic privatizers usually ended in failure - see cases of Poldi Kladno, Škoda Plzeň, Tatra Kopřivnice, Chemapol Praha, ČKD Praha, Královopolská Brno (*MF Dnes 1999*). In short-term view, the coupon-method seemed successful and there were even attempts to export this Czech way of privatization to some

other post-socialist countries. The method first crushed (pulverised) the poverty, and created no-transparent ownership relationships, both by the realisation of coupon privatization. It resulted in concentration (so called third wave of privatization started in 1986) and creation of organizational forms (investment funds, the role of National Poverty Fund) and purpose-made structures between political bodies, banks, investments funds, firms, etc. (Večerník 1998). The atmosphere against privatization was growing proportionally to developments on Czech capital markets (flagrant breaking and infringing of rights of small share-holders), increasing number of scandals, bankrupt firms and rising unemployment (during a short time an increase from 4 to about 10 %). Ten years were not introduced effective mechanisms and rules created standards in advanced countries to stop machinations. The financial losses through so called "tunnelling" of privatized firms by their management are estimated to hundreds of billions of CZK.

Table 1 Industrial property approved for privatization in the Czech Republic (June 30, 1998)

	Total property			Businesses to be privatized		
	billions CZK	% ¹⁾	% ²⁾	number	% ¹⁾	% ²⁾
INDUSTRY TOTAL	586	60	100	4248	18,5	100
Privatization method:						
auction	1,9	21,1	0,3	221	11,4	5,2
public tender	19,3	53,4	3,3	430	19,8	10,1
direct sales	39,7	45,7	6,8	1517	13,3	35,7
joint-stock comp.	517,6	66,7	88,3	933	47,3	22
free transfer	7,5	11,0	1,31	147	21,1	27

¹⁾ the share of industry (the whole economy = 100 %)

²⁾ the share of individual privatization's methods in industry = 100 %

Source: Statistická ročenka České republiky (Statistical Yearbook of the Czech Republic) 98 (1998). Praha, ČSÚ, p.542

Table 2 Industrial business by selected legal form in the Czech Republic

	Number of employees by legal form	
	1989	1997
TOTAL	2,1 million	1,6 million
state owned and municipal enterprises	93,1 %	5,5 %
Co-operatives	4,8 %	2,1 %
Private entrepreneurs	2,1 %	66,5 %
Mixed property	-	25,8 %

Source: Ročenka HN 98, příloha Hospodářských novin (1998). Praha, *Economia*

The individual processes of transition differ from the point of view of their intensity, time, space, region. Complex or individual processes have impacts on the *restructuring* and change industry, economy, society, landscape, territory, and space. The main reason of far emerging of transition problems is that transformation was not accompanied by corresponding restructuring of industry and economy. In Czech

Republic was not realised political restructuring. The transition was not finished in spite of rhetoric, as well as the restructuring afflicted only a selected part of the Czech industry and economy. It was mainly thanks to foreign investors and most important foreign direct investments - FDI (*Myant 1997, Pavlínek 1997, 1998, CzechInvest 1998, Statistická ročenka České republiky 1998, Ročenka Hospodářských novin 1998*). The structure of FDI invested to the Czech economy by countries and branches of economy is documented in Table 3.

Table 3 Foreign direct investment (FDI) in the Czech Republic 1989-1997 (%)

FDI by branches		FDI by countries	
financial intermediation	9,4	Germany	27,9
trade and services	8,9	the Netherlands	13,8
consumer goods and tobacco	13,8	USA	13,2
transport means and equipment	12,5	Switzerland	10,6
transport and communications	18,2	France	7,8
Other	37,2	Other countries	26,7
TOTAL	100	TOTAL	100

Total amount of FDI 1989-1997: USD 6,8 billions (CZK 234 billions)

the share of EU countries 70,9 %

OECD countries 96,3 %

Source: Ročenka HN 98, příloha Hospodářských novin (1998). Praha, Economia

CzechInvest. Czech Agency for Foreign Investment (1998). Prague, Czech Information Series

6. SELECTED INDICATORS AND PROCESSES OF TRANSFORMATION

There are some synthetic indicators documenting the results of transition. We can mention for example the **development of GDP, the development and changes of the sectoral structure of Czech economy (primary, secondary and tertiary sectors), tourism and foreign trade, employment and unemployment, environment, living standard**. However, the best indicator characterizing the transformation changes in the Czech Republic in comparison with past and selected advanced countries and also the process of belated deindustrialization is the sectoral structure of economy. It is based on the employment data (Table 4).

The comparison of development and changes in the sectoral structure of the Czech economy and the share of industry with developed countries as well as with the changes during socialism shows depth of the changes in the Czech economy and speed of getting close to the developed countries but also the depth of deformations of the Czech economy with strongly underestimated tertiary and overestimated secondary sectors. Nevertheless, only restructuring can add to the changes of sectoral structure of economy the qualitative and intensifying content ("structural value added").

Table 4 Development of sectoral structure of economy of the ČR 1970-1996 (comparison with selected developed countries, %)

	1970			1990			1996		
	I	II	III	I	II	III	I	II	III
Czech Republic	15,7	48,9	35,4	11,8	45,4	42,8	6	41	53
developed countries ¹⁾	10,1	41	48,9	5,2	29,8	65	4,4	26,3	69,4
difference ČR - DC	+ 5,6	+ 7,9	- 13,5	+ 6,6	+ 15,6	- 22,2	+ 1,6	14,7	- 16,4

Sectors: I - primary (agriculture, forestry, fishery), II - secondary (industry and building), III - tertiary (other branches of economy)

¹⁾ average of selected small developed countries (Belgium, Denmark, the Netherlands and Austria)

The ownership structure of industry, as well as sectoral structure of the Czech economy, optically shows the positive features. From the point of view of synthetic indicators (development of GDP, industrial, agricultural, transport production, *Table 5*) and qualitative indicators, the results are not adequate to the aim - be accepted as soon as possible in EU.

Table 5 Development of selected synthetic indicators of the Czech economy (1990 = 100)

	1990	1991	1992	1993	1994	1995	1996	1997	1998
GDP	100	88,5	85,6	86,1	88,9	94,5	98,2	99,2	(96,7)
industry	100	78	72	68	70	76	81	85	-
construction	100	72,5	86,8	80,4	86,4	93,7	98,7	94,9	-
agriculture	100	91,1	80,1	78,3	73,6	77,3	76,2	72,4	-

Source: Statistická ročenka České republiky (Statistical Yearbook of the Czech Republic) 98 (1998). Praha, ČSÚ estimates

7. THE PROCESS OF DEINDUSTRIALIZATION DURING TRANSFORMATION

While the process of *deindustrialization* and creation of post-industrial society escalated in the industrially developed western countries during 1960s (*Blackaby 1979, Bell 1974, Martin, Rowthorn 1986*), in the Czech Republic really started after November 17, 1989. Great changes were realised in advanced countries based on development of science and technology, which accelerated after 1973 energy crisis. They are now in the stage of post-industrial society and on the threshold of an information society and in the process of globalization. **The development of science, technology, organization, management, marketing, internationalization, integration, space planning is found in the background of deindustrialization, like an integral part of the development of the sectoral structure.** Rapid changes of the sectoral structure of the Czech economy in the course of transition also documented installation of qualitative modern trends too. These tendencies have not only strong

regional consequences but also influenced the growth of GDP. Development of GDP in the second half of the 90th testifies that the development of the sectoral structure do not correspond to the needs. Industry presented after the period of decreasing (1989-1993) to the second half of the year 1998 increase of the production in contrast to less favourable development of GDP. Individual branches of industry developed by different way.

Table 6 Development of industrial production by branches in the Czech Republic 1990-1997 (1990 = 100)

INDUSTRY TOTAL	85
Mining and quarrying	68
Manufacturing	
- food products, beverages and tobacco	82
- textile and clothing	44
- leather	36
- woodworking	57
- pulp, paper, publishing, and printing	95
- coke, refined petroleum products and nuclear fuel	112
- chemical and pharmaceutical products	66
- rubber and plastic products	100
- glass, ceramics, china, and building materials	75
- basic metals and metal products	60
- machinery and equipment	56
- electrical and optical equipment	77
- transport means and equipment	73
Electricity, gas and water supply	-

Source: Statistická ročenka České republiky (Statistical Yearbook of the Czech Republic) 98 (1998). Praha, ČSÚ

Open crisis of the Czech economy than affected the Czech industry too. Long-term shift and increase of prices of essential goods and services (food, clothing, habitation, transport, education, health etc.) and slower increase of income and of real wages (**the indicator of average wages very often used has due to rapid and strong differentiation little to say and falsify the real situation tendencies**) influenced the consumption of the industrial goods of long-term consumption, in addition reduced by both legal and illegal import. The shrinking domestic market and difficulties in export and insufficient competitiveness influenced many branches and productions of the Czech industry. Overview of production by selected indicators of the Czech economy and by individual branches of industry reflects not only economic development but also the belated restructuring mentioned above.

The threatening decrease of GDP and production and lower decrease of employment at the beginning of the transformation according to statistical data did not have so devastated impact on the incomes and social sphere. The production was not measured by indicators of rough production (with high share of so called production for production) and the indicator of value added was introduced. The decrease of

employment in the secondary and primary sectors was absorbed by increase of underdeveloped tertiary sector and by decreasing of extremely high economic activity of population. Huge reserves were exhausted during the first phase of transition and during the second half of 1990s another decrease of employment in industry and another branches began more and more overflow into unemployment with direct regional consequences according to industrial branch structure (regions with prevailing coal-mining, metallurgy, heavy machinery, textile, clothing etc.) Both the objective and logical process of deindustrialisation and transformation and of belated restructuring create the main reasons of insufficient industrial development.

The development of employment in three groups of industrial branches and of the share of industry on the total employment (means the decrease of the extremely high intensity of economic activity and industrial employment) 1948-1997 documents the slipping process of deindustrialization.

Table 7 Development of employment in the Czech industry and its basic branches 1948-1997

	Employment in industry		Basic branches of industry					
	(000)	% ¹⁾	mining and quarrying		manufacturing		electricity, gas, water	
			(000)	% ²⁾	(000)	% ²⁾	(000)	% ²⁾
1948	1402	35,2						
1960	1852	41,6						
1970	2063	41,5						
1980	2058	39,9	182	8,8	1803	87,6	73	3,6
1989	2113	39,1	197	9,3	1839	87	78	3,7
1990	2025	37,9	186	9,2	1760	86,9	79	3,9
1991	1948	38,5	168	8,6	1705	87,5	75	3,9
1992	1798	36,5	124	6,9	1582	88	92	5,1
1993	1710	35,3	111	6,5	1512	88,4	88	5,1
1994	1619	33,1	101	6,2	1428	88,2	90	5,6
1995	1628	32,5	92	5,6	1445	88,8	91	5,6
1996	1615	31,9	86	5,3	1441	89,2	88	5,5
1997	1598	32	80	5	1434	89,7	84	5,3

¹⁾ the share of industry (the whole economy = 100)

²⁾ the share of the branch of industry (the whole industry = 100)

Source: ČSÚ (Czech Statistical Office)

These processes have in the case of Czech Republic another qualitative aspects. We can mention at first the radical change of branch, size and ownership structure, in foreign trade and demand for resources. It means further reduced impact on the environment, the release of areas, buildings and lines occupied by industrial plants and other activities during extensive development under socialism and increase of technical, technological, economic know-how as well as an increase in the scientific level of industry. The foreign direct and indirect investments and other forms of intensification have to play the leading role in this process as well as the realistic and to the future, to the regions and on abroad oriented industrial policy and conception.

The transitional de-industrialization is in fact disassembly, liquidation, or gradual (speed, slow, suspicious) liquidation of industrial plants and structures, they do not correspond to the area of the Czech Republic and quite new geopolitical and geo-economical conditions. These structures survived only due to socialist system and quite different branch structure, technological niveau, geographical distribution and integration connections are created in market and west-oriented system.

8. CONCLUSION

The selected transformation processes (restitution, privatization, devaluation, liberalization, new tax schemes, localization etc.), synthetic indicators (GDP, employment, environment, living standard, foreign trade, tourism), selected influenced structures (economy, industry, investments, transport, infrastructure, technology), and their regional development, distribution and organization form integral content of complex projects mentioned at the introduction and integral complex of the transition.

The period of last two years we can consider a crucial point of further development of transition of the Czech society, economy and industry with respect to the serious process of acceptance by EU. After period of destruction (1989-1993), stabilization (1993-1994) and development (1995-96), the Czech society is confronted again with period of crisis which brings new features and in which the emotions and optimistic expectation evaporated. It seems Czech transformation needs new innovations, inspirations, motivation, targets, new factors, impulse, faces as well as new leaders for economic, political, social and regional development. The Czech economy needs to pass from the period of the defence, regulations, and restrictions to the offensive strategy and solving of crucial and key problems. We have to start at once, the necessary changes-like resolve to the New Year 2000 could be too late faced a serious political, economic, social, and regional problems evolved by continuation decrease of economy and increase of unemployment. All these problems and processes have strong international and historical consequences. We pay severe tax due to delay of solving weighty structural deformations in society and economy (industry, power industry, transport) which resulted into structural crisis at the end of 1990s. The formula of SWOT analysis could have form sWoT (decrease of strengths and opportunities and increase of weaknesses and threats).

We can monitoring, analyse, evaluate contemporary situation of the Czech society and economy (*Večerník 1998, Zpráva vlády 1999*). Unless we will not be able and ready to change elementary mechanisms of functioning of democratic state, economy, conditions, space and behaviour of people according to world-wide development tendencies, the scientific knowledge will be only the inventory of problems and difficulties of transformation period.

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Resume

Deindustrializace a restrukturalizace v transformačních zemích: český průmysl po deseti letech transformace

Procesy industrializace, deindustrializace a restrukturalizace průmyslu jsou významnou součástí permanentních změn světového hospodářství a regionálních rozdílů. Jsou ovlivněny na jedné straně faktory politickými a společenskými, na druhé rozvojem vědy a techniky, technologií a měnící se prostorovou organizací, lokalizací a rozmístěním. V transformaci post-socialistických zemí hrály silnou roli především faktory první (politické, společenské, sociální, regionální a institucionální), ve vyspělých zemích převažují faktory druhé. V české transformaci se polovičitost a nedůslednost v politicko-společenské transformaci spojená se silnými individuálními, skupinovými a stranickými zájmy (reprezentovala je tzv. česká cesta) promítly do problematického průběhu privatizace jako základního transformačního procesu a nepříznivých strukturálních změn v průmyslu. Stát, jehož role byla v podmínkách systémového převratu nezastupitelná, v prvních deseti letech selhal při stanovování cílů, tvorbě koncepcí a vytváření příznivých podmínek pro transformaci, restrukturalizaci a podnikání. Jednotlivé transformační reformy a procesy nebyly adekvátně zabezpečeny (zejména legislativně a právně) a výsledkem je nepříznivý vývoj celého hospodářství i průmyslu ve světle syntetických ukazatelů struktury i výkonnosti. Transformace i přes politické proklamace o jejím skončení v roce 1995 ve skutečnosti uvízla a nepřešla v potřebnou restrukturalizaci. Privatizace svým průběhem a neprůhledností ovlivnila i deindustrializaci a strukturální změny v průmyslu. Dokladem je především rozdíl mezi zahraničními a českými firmami. Provinciální pojetí globalizace vytvořilo problémy, které přecházejí do další fáze transformace. Ta nutně potřebuje nové inovace, inspirace, motivace, cíle, impulsy i politické a hospodářské vedení. Přejít od restriktivní, regulací a omezení ke koncepční ofenzivní strategii pro budoucí století a k řešení klíčových místů velkého množství dílčích problémů je nutný k tomu, aby přešlapování na místě doprovázené neodůvodněným přerozdělováním přešlo ve skutečný rozvoj v návaznosti na EU. Pouhé monitorování transformačního vývoje nestačí, je nutné vytvářet alternativní vědecké koncepce.