Voucher privatisation was designed to effect a rapid transformation of state-owned enterprises into private ownership with as limited state intervention as possible. Premised on neo-classical economic theory, the Czech government anticipated new private owners would emerge with greater incentives than the state to undertake restructuring and ensure the efficient operation of these firms. However, this thesis argues that for restructuring to occur, formal ownership patterns are less important than an ability to exercise control because of institutional influences. The de jure and de facto roles of owners, managers, and labour are discussed, showing how endogenous and exogenous factors affect their ability to dictate and control restructuring outcomes in voucher privatised firms. The thesis argues that observed post-privatisation restructuring outcomes cannot be understood without considering the institutional environment within which firms are situated. Institutions are conceived to comprise formal, informal and enforcement aspects, but also with a temporal dimension encapsulated by the use of path-dependency and embeddedness. The explanatory framework offered here is a modified version of new institutionalism perspectives, termed "embedded institutionalism". Case studies of seven firms privatised by voucher are presented in this study to demonstrate how the interaction of institutional influences, understood through embedded institutionalism, is the most appropriate framework for understanding post-privatisation restructuring processes in post-communist countries. This approach provides a synthesis between the theoretical expectations of neo-classical economic theory and the practical outworking of post-privatisation restructuring in Czech firms. Voucher privatisation was a novel scheme, and became the central aspect of the Klaus government's economic transformation. Important historical and contemporary institutional influences impacted on its design and implementation. However, it is argued that understanding privatisation and its effects on restructuring through embedded institutionalism negates the view that a unique Czech way of privatisation exists, and that observed outcomes are simply responses to the surrounding institutional environment.
Ten years after the revolution that brought about post-communist politics in the Czech Republic, the elite structure remains unresponsive, and many of the former elites still control key administrative functions. A recent study in the New Democracies Barometer found that widespread skepticism predominates in the fifteen institutions across nine Eastern and Central European countries.

Even though the levels of trust varied amongst nations, the results clearly indicate a lack of trust in these institutions. The transition from a command economy to a market economy has not been smooth, and the process of liberalization and democratization has been characterized by political instability and economic uncertainty.

As in the Communist Era, the elite structure of the Czech Republic remains unresponsive, and many of the former elites still controlled several key administrative functions. A recent study in the New Democracies Barometer found that widespread skepticism predominates of the fifteen institutions across nine Eastern and Central European countries. Even though the levels of trust varied amongst nations, the results clearly indicate a lack of trust in these institutions. The transition from a command economy to a market economy has not been smooth, and the process of liberalization and democratization has been characterized by political instability and economic uncertainty.