



Weekly Briefing

Czech Social briefing:
Social developments in Czech Republic in 2017
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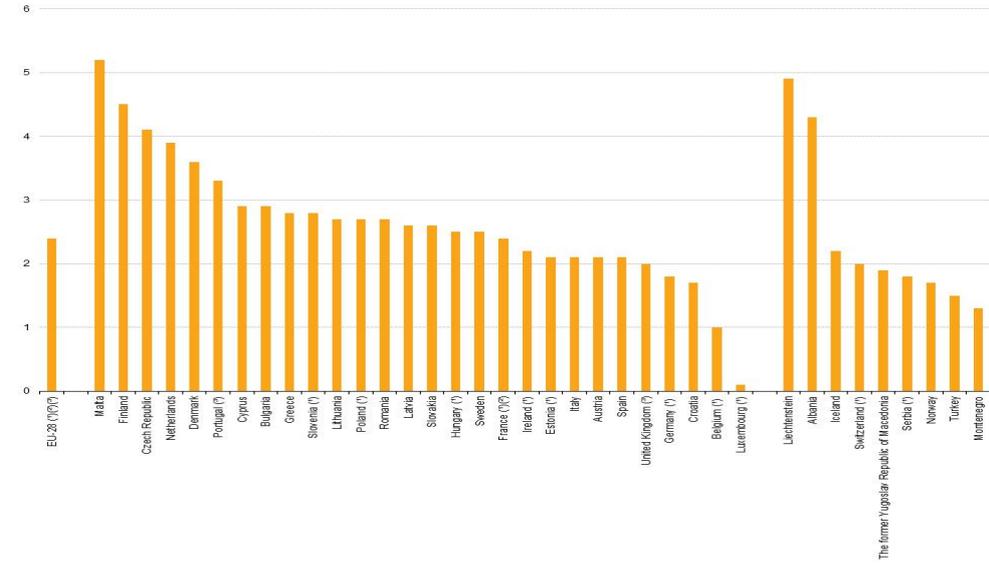
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Although the quality of life and level of well-being in the Czech Republic is mixed according to the Organisation for Economic Co-operation and Development (OECD 2017a), life satisfaction has remained stable over the decade and among the highest in East European OECD countries. The Czech Republic ranks well in the OECD's Better Life Index – above average in jobs and earnings, personal security, education and skills, subjective well-being, and work-life balance. On the contrary, it ranks below average in jobs and earnings, housing, health status, income and wealth, social connections, and civic engagement. There are some important social issues that this country is struggling with.

The Czech society has been ageing very fast (see Figure 1); its demographic structure is expected to change dramatically over the next 50 years. Population ageing is one of the greatest economic and social challenges facing the Czech Republic. According to the demographic projections of the United Nations, the share of elderly (people aged 60 and over in the total population) is expected to rise from 25.6% in 2017 to 36.7% by 2050, which is the one of the highest shares of elderly in Central and Eastern Europe (Hungary 34.7%; Poland 39.5%). The proportion of people of working age is shrinking and the median age should rise from 41.4 years in 2017 to 47.9 years in 2050 (see United Nations 2017a). These demographic developments might have major impact on the Czech economy and on wide range of policy areas. However, the country is not well prepared for ageing yet. In 2006, the Council for Older People and Ageing Population, a permanent advisory body to the government for issues related to population ageing, was established. In 2013, the National Action Plan Promoting Positive Ageing for 2013–2017 was approved (Ministry of Labour and Social Affairs of the Czech Republic 2014). However, these government activities have been criticised as not sufficient and well-promoted, its policy has not been fully implemented yet.

Figure 1: Increase in the share of the population aged 65 years or over between 2006 and 2016



(*) Break in time series in various years between 2006 and 2016.
 (Y) Provisional.
 (*) Estimate.
 Source: Eurostat (online data code: demo_pjanind)

Source: Eurostat (2017).

Twenty-nine years after the Velvet Revolution, the Czech Republic is a stable democracy. In general, its social and political institutions are well developed. Nevertheless, last years have been characterized by an increasing populism and illiberal forces in Czech politics and society. After the general election in 2017 we may also observe a growing controversy around economic activities and conflict of interest of some political leaders (especially Mr. Andrej Babiš, leader of ANO movement, the strongest political party after the general election).

From 2016, a public debate on the migration and related security issues have strongly intensified, although the immigration flows fell sharply. Despite the number of African or Middle Eastern refugees in the Czech Republic has been very small (in comparison with immigrants from some European countries or Vietnam, and in comparison to immigration flows to other member countries

of the European Union), public concerns have been growing. The total number of immigrants holding a residence permit in the Czech Republic has been representing around 4-5% of the total population (far below the OECD average). The biggest immigrant groups are Ukrainian, Slovak, Vietnamese and Russian; and according to statistics, two in three migrants arrived in the Czech Republic ten years ago or more. When compared with the migrant populations of other OECD countries, migrants living in the Czech Republic have a relatively good situation regarding poverty, employment, unemployment, over-qualification and social support (OECD 2017a). However, instead of the Czech Republic, new asylum-seekers and immigrants from Afghanistan, Iraq and Syria prefer going to Germany or Scandinavian countries (the Czech Republic is mostly a transit country to Western Europe).

The irrational anti-immigration sentiment in the society (with respect to statistics on immigration) is strongly supported by radical anti-immigration formations (e.c. far-right group Bloc against Islam), new political parties (mainly the Freedom and Direct Democracy, SPD, led by Mr. Tomio Okamura) and anti-immigrant rhetoric of both President Zeman and Prime Minister Babiš. There is general political consensus against mandatory quotas for the redistribution of refugees within the European Union according to the European Commission.

Another issue that has been widely debated in recent years are changes in media ownership, connected to acquisitions by local businessman (e.g. the acquisition of Czech News Center publishing “Blesk”, the most popular and top-selling tabloid in the Czech Republic, by Mr. Daniel Křetínský in 2013). Some popular dailies, published by Mafra Group, are owned by the former finance minister and current Prime Minister, Mr. Andrej Babiš, which has been strongly criticized, especially around the election campaign in 2017. According to critics (including members of the European Parliament and non-governmental organizations), the free dissemination of information and critical news towards

the country's holders of political power decreased greatly between 2014 and 2017, mainly due to growing political pressure on Czech media.

With respect to the unclear and deformed information dissemination, new terrorist threats and radicalisation and foreign disinformation campaigns in the Czech Republic, Ministry of Interior created a special analytical department to fight disinformation and fake news online, the Centre Against Terrorism and Hybrid Threats (Centrum proti terorismu a hybridním hrozbám, CTHH), in 2017. Its goal is to identify and monitor threats directly related to internal security (relative to terrorism, soft target attacks, security aspects of migration, extremism, public gatherings, violation of public order and different crimes), but also disinformation campaigns related to internal security. The Centre is supposed to come up with new proposals for substantive and legislative solutions that it will also implement where possible. It will also disseminate information and spread awareness about the given issues among the general and professional public. The Centre has been also criticized. For example, it has come under fire from the office of Czech President, arguing that it could promote censorship and restrict freedom of speech in the country.

Both political and business corruption remains a major problem in the Czech Republic despite several anticorruption measures of the previous government. According to the Czech director of Transparency International (2016): *“corruption is changing its form, influential groups no longer need to break the law, they instead push through legal changes and maintain a false sense of legality”*. In 2017, there has been another drop in the country's ranking in Transparency International's Corruption Perception Index (CPI). The Czech Republic ranked 47th place (out of 176 countries) in the CPI. Poland ranked 29th place, Slovakia 54th, and Hungary 57th. Majority of Czechs perceive corruption as a huge problem, with negative consequences for doing business and social relations in the country too. Bribery and use of connections may be the easy way to obtain public services; there are cases of *“funding political parties in exchange for public contracts or influence over policy making”* in the Czech

Republic. This is also one of the reasons of falling numbers of people reporting that they have confidence in the central government. On the other hand, the Czech Republic stands out for the most significant decrease in proportion of businesses which see corruption as a problem within the European Union (European Commission 2017a).