

Counterparty risk



Ex-Finance Minister Jiří Rusnok, whose name was floated as a possible vice PM for economics, told [Czech Radio](#) that creating the post isn't such a good idea. Unless, perhaps, it's held by a strong finance minister, he said. The CR already has the best finance minister in new Europe, according to Emerging Markets magazine, so why look any further? True, the [Financial Times](#) gave Miroslav Kalousek bad marks for financial stability during the crisis, but even here his record isn't so bad. A review of the FT's key criterion, the spreads on credit default swaps for government debt, shows that the CR had the second-lowest rate of new EU members not in the eurozone. And the relatively low level of external borrowing skews the CDS volatility curve in the case of the CR anyway. No, the reason Kalousek isn't the man to serve as the CR's economics czar during its EU presidency must lie elsewhere. Several readers suggested it's because Kalousek's poor command of English presents too much counterparty risk during EU meetings.



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