

## Arbitrary figures



When a retailer jacks up a price so that he can triumphantly announce a sale, he's breaking the law. When a government does a similar thing, it's business as usual. The new government of Petr Nečas - which will be sworn in today - is triumphantly planning to reduce the Czech budget deficit next year by Kč 74bn, to Kč 135bn, through spending cuts of Kč 54bn and additional revenue of Kč 20bn. What the government doesn't tell us is where it plucked these numbers from. They're based on assumptions that almost no one has seen. The figures that are publicly available show that the [finance ministry](#) had been expecting a 5% increase in budget revenue next year and an increase in spending of about 1%. However, the ministry announced on July 1 that it makes no sense to publish any revised forecasts, because the coalition talks have changed the basic assumptions so much. So, until we see some hard revenue and spending figures from the new government, we'll reserve judgment on whether this will be a "reform" cabinet.

Hard-hitting analysis

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