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Why no Czech downgrade?

It's a peculiarity of life that we live it going forward but can only evaluate it looking backward. Credit-rating agencies try to fool this process by telling us what will happen in the future, but without fully admitting how much their own behavior in the past predetermines this future. If the rating agencies had downgraded France and Austria years ago, when the risk of overindebtedness first started to build, these countries might not be in such a difficult position today. Czechs risk feeling smug that Standard & Poor's didn't downgrade their own country's credit rating on Fri. (and in fact boosted it by two notches over the summer). Instead of seeing this as confirmation of the cabinet's policy of "budget responsibility," Czechs should perhaps ask why their country's credit rating is holding up so well. How is this possible when the national debt keeps rising rapidly, even in years of respectable economic growth?

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