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## Raise competitiveness, not taxes

One of the most important themes of the past week has been the question of whether the CR should start practicing what it preaches when it calls for the EU to become more competitive. Chief Economist [Pavel Mertlík](#) of Raiffeisenbank told Rádio Impuls that the CR is becoming less competitive and has been diverging from - instead of converging with - Germany for the past two years. Just last week the [Information Institute](#) emphasized the competitive disadvantage caused by high mobile-phone rates. Other major factors in declining Czech competitiveness are high electricity prices and some of the world's steepest employer social costs, but Miroslav Kalousek's new austerity package tends to drive these costs even higher, not lower. The reasonable thing for a "free-market" cabinet to do is to scrutinize Kalousek's proposal less in terms of revenue-enhancement, and more in terms of competitiveness.



**OPEN DAY**  
at both Kamyk and Vlastina sites

Tuesday  
13<sup>th</sup> March  
8.30-3pm