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What OKD is missing is a Bakala



Zdeněk Bakala was one of a handful of people who brought high finance to the CR. In 1993 he said that the Czech government should issue long-term bonds, partly as a way to create a yield curve for serving as a benchmark for companies selling their own debt. In 2006-2007 he famously brought [dividend recapitalization to OKD](#) and made a mint for the shareholders even before the IPO. Alas, OKD is now in bad financial straits and needs more than [Kč 1bn from the state](#). Pity Bakala isn't still around. The financial world has made great strides in recent years, and not even insolvent companies need to face funding discrimination. Hertz car rental is in bankruptcy but won court approval to issue up to [\\$1bn in new shares](#). Hertz admits that there is a [significant risk that the stock will become worthless](#). What Bakala taught Czechs is the importance of not being the one holding the bag. Unless OKD gets creative quickly, it will be all taxpayers, not just a few gullible shareholders.

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