

Corruption and Czech deindustrialization

Industry Min. Jozef Síkela (STAN) was reportedly prepared to give Volkswagen a 10-year sweetheart deal on electricity if it agreed to build a gigafactory at the Líně airfield near Pilsen, but not even that was enough. VW decided against making any such investment now and announced its decision yesterday. If VW had accepted a secret deal and the details had come out, Škoda Auto's competitors and other Czech companies that are now being hit with sharply higher rates for electricity distribution would have been livid. Even companies that [have been underestimating the significance of Síkela's energy practices](#) must now take the issue seriously, because the bad news from the ERÚ energy office this week is just the beginning. If the government agreed to overpay for both [RWE Gas Storage](#) and [Net-4Gas](#) because of side deals by Síkela and his [advisers](#), as [Blesk and others have suggested](#), this full amount will need to be recouped. ČEPS grid company, which was used to make the transactions, will have to ask ERÚ for these higher "justified" costs. Síkela will blame Czech deindustrialization on Russia, not Czech corruption.

Read this later today in [Czech](#)



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