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## **BULLETIN**

## Czechia and COVID-19: From Success in Suppressing the Pandemic to an Overwhelming Second Wave

Łukasz Ogrodnik

Despite the effective suppression of COVID-19 cases in the spring of this year, Czechia is now struggling to contain record increases in the number of infections and deaths that place it among the worst-hit countries in the EU. Attempting to gain control of the disease, the government of Andrej Babiš took internal actions (such as introducing a state of emergency) and sought foreign assistance (from, for example, NATO and the EU). The pandemic has strengthened Czech cooperation with regional neighbours, including initiatives within the Visegrad Group, the intensification of activities of the Slavkov Triangle, stronger relations with German federal states, and the launch of the new Central Five (C5) format.

In the last two weeks, Czechia has become the worst-hit EU Member State in terms of deaths from COVID-19 relative to the size of its population, and has the third highest number of infections per capita. From 4 to 18 November, there were approximately 25 deaths and 1,002 infections per 1,000 people. The significant daily increase in infections, which had been climbing since the beginning of September, reached a peak of almost 16,000 cases on 4 November. The day before, Czechia recorded the 223 deaths, the highest daily total to date. Although the rates have since improved significantly, the of the pandemic in Czechia contrasts with that country's relatively rapid suppression of COVID-19 in the spring of this year.

The Reasons for the Deterioration. The sudden increase in infections in Czechia could have been caused by, among other things, early (already in the first half of April) and farreaching lifting of restrictions by the Babiš government. In the summer, Czechia withdrew the obligation to wear masks on public transport. This approach arose partly from the government's desire to improve the pre-election mood of Czech society. In October, local government elections and two rounds of elections to the Senate were held under a stricter sanitary regime. In the meantime, public acceptance of the restrictions decreased (from 86% in June to 48% in September). In the face of the autumn spike in infections, Babiš admitted that dropping the obligation to wear masks had been a mistake. Such rhetoric, coupled with an apology

for omissions, contrasts with the prime minister's earlier stance that Czechia was responding to the challenges of COVID-19 better than any other country in the EU.

In addition, Czechia's minister of health changed frequently, which is not conducive to efficient crisis management. In September, epidemiologist Roman Prymula, known as an opponent of far-reaching easing of restrictions, was appointed to the post. In October, after his resignation in response to his own violation of sanitary standards, Jan Blatný took on the role, and continued the restrictive policy of his predecessor.

**Extraordinary Measures.** In an attempt to contain the pandemic, the Czech government restored a number of restrictions. A state of emergency came into force on 5 October (the previous one lasted from 12 March to 17 May). Schools, retail outlets and service points (apart from those providing essential products) were among those forced to close. The consumption of alcohol in public places has been banned, and a curfew from 21:00 to 05:00 has been imposed. On 9 November, restrictions on entry to Czechia from "red list" countries (including Poland) came into force.

Contrary to the situation in the spring, Czechia's healthcare system faced a risk of shortages in the autumn. This was due to the insufficient hospital beds and the lack of medical personnel in some regions. To remedy the shortage of places in inpatient hospitals, a field hospital was built in Prague.

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**Support for the Economy.** Despite the economic recovery in the third quarter of this year (GDP rose by 6.2% on a quarterly basis), Czechia is preparing for a recession. According to the European Commission's (EC) November forecast, Czechia's GDP will shrink by 6.9% in 2020, compared to an EU average of 7.4%. An 8% decrease is forecasted by the Czech Bank Association.

The Czech government has revised its previous strategy to counter the economic effects of the pandemic. Contrary to the spring restrictions on social and economic life, the autumn restrictions bypassed to large extent factories. Such a policy results from an attempt to protect industry in the Czech economy, which generates as much as 29.2% of gross value added (the highest in the EU after Ireland). The percentage of inhabitants employed in this sector is the highest in the EU (28.7%). The protection of industry is therefore an attempt to avoid negative economic effects, including an increase in unemployment (still the lowest in the EU).

The Babiš government has allocated about 20% of its annual GDP to various aid packages. Among them are programmes to support enterprises which had to suspend their activities as a result of restrictions. As a consequence, the deficit in the draft state budget for the next year, as presented by the government, amounted to approx. €12 billion. Previously, the record deficit in 2009 was around €7 billion.

International Aid and Cooperation. The desire to gain access to EU funds as soon as possible is a factor that currently determines Czechia's European policy. The government sees the "Future Generation" recovery fund as an opportunity to mitigate the negative economic effects of the pandemic. Babiš's support for the swift mobilisation of funds comes despite previous reservations, including criticism of the idea of the EU as a borrower. Despite the conclusions of the European Council of July, in the light of which funds for Czechia would be reduced compared to the EC proposal of May (from €8.9 billion to €5.7 billion), Czechia has a positive attitude to the fund.

Due to the rapidly depleting stocks of sanitary equipment, Czechia benefited from bilateral support and multilateral mechanisms. Germany was among the countries that offered assistance in treating patients. After Babiš's talks with the Bavarian Prime Minister Markus Söder, places for intensive care were made available to patients from Czechia. Medical staff were also sent by Hungary and the United States. Such actions, in addition to the appeals of the Czech Medical Chamber for the return of compatriots working in the healthcare sector abroad, are intended to reduce staff shortages. In addition, Czechia obtained respirators thanks to the EU (RescEU) and NATO mechanisms, through the Euro-Atlantic Disaster Response Coordination Centre (EADRCC).

In attempting to manage the pandemic, Czechia intensified activities within the Slavkov Triangle and strengthened coordination activities within the Visegrad Group. As part of the virtual V4 Centre for COVID-19, established in October, representatives of the ministries of health and foreign affairs of the V4 countries are to communicate periodically. In addition, Czechia, together with Austria, Slovakia, Slovenia and Hungary, created a new format of regional cooperation called the Central Five. Established by the foreign ministers of these countries in June, the platform is intended to facilitate coordination on issues such as the reintroduction of border controls. Foreign Minister Tomáš Petříček indicated that the C5 and the Slavkov Triangle are more effective than the V4 in the context of managing the pandemic.

Conclusions and Prospects. Through gestures such as admitting mistakes and changing the minister of health, Babiš wants to maintain public support for the government's initiatives to manage the pandemic. Voters' assessment of the government's strategy will determine the results of the parliamentary elections scheduled for next year. Protecting the Czech economy will remain Babiš's top priority, on which his narrative of the government's successes during the pandemic is based.

Foreign support for Czechia during the second wave of the pandemic has come mainly from allied countries, in contrast to the commercial supplies of medical equipment provided by China in the spring. In the context of counteracting the effects of the pandemic, the EU is perceived by the Babiš government as one of the sources of medical and financial support. In order to push through the "reconstruction fund" in the EU as soon as possible, Czechia does not oppose its link with the rule of law. Given the divergent positions of Czechia and Slovakia on the one hand, and of Poland and Hungary on the other, a common Visegrad Group position will not be possible.

The Polish presidency of the V4 will be an opportunity to improve the coordination of cross-border activities, compared to activities carried out in the spring. The virtual V4 Centre for COVID-19can contribute to this. Its creation does not mean increasing the institutionalisation of the V4, but only greater focus on ad hoc activities. On the other hand, positive experiences in coordinating activities in managing the effects of the pandemic within the C5 and Slavkov Triangle translate into a broadening of their thematic spectrum. This is evidenced by the November ministerial consultations of both these formats. In addition to counteracting the pandemic, the C5 talks concerned, among other things, the fight against terrorism, and consultations among Slavkov Triangle members on, for example, the rule of law in the EU.