



*Study for ERAK*

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## OPPORTUNITIES FOR ACTIVE ECONOMIC POLICY ON A REGIONAL LEVEL

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### **Abstract**

The study summarizes the opportunities for an economic policy on a regional level. In 2012, we expect a economic recession across whole Czech Republic followed by a slow and gradual recovery – under the assumption that the EMU problems do not escalate any further. The impact scenarios in individual regions indicate that that even though individual industries are less opened in terms of exports and import intensities than usually considered, the potential for fiscal stimulation is quite limited. Having said that, the fiscal policy is not ineffective; the current situation in the Czech Republic only requires that it doesn't make the situation worse or raises the concerns of the public, which, besides other things, would lead to lower private demand. The opportunities for similar policy on a regional level is even more limited.

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[Download](#) the complete study (in Czech only).

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