

The political consequences of the investigation into the Czech Prime Minister

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On 12 November, the Czech website Seznam Zprávy published a report in which Andrej Babiš Jr., the 35-year-old son of Czech Prime Minister Andrej Babiš from his first marriage, talked about how he was deported against his will to Crimea (and other locations) by a Russian employed in his father's company. Babiš Jr. stated that the abduction was connected with the investigation being conducted into the affairs of the prime minister and his family members on suspicion of fraudulently obtaining EU funds. The abduction was intended to prevent him from being cross-examined in the case. The investigation concerns the extension of a conference and recreation centre, the ownership of which Babiš had temporarily ceded from himself and transferred to his children, in order to be able to receive EU funding intended for smaller businesses. PM Babiš has defended himself by arguing that his son suffers from mental illness. This information spurred opponents within the ruling coalition's Czech Social Democratic Party (ČSSD) to calls on the party to leave the government. President Miloš Zeman said, however, that if the government resigns, he would appoint Babiš prime minister again.

Commentary

- The statements made by the Prime Minister's son have caused a crisis on the Czech political scene. At the initiative of the opposition an extraordinary meeting of the Chamber of Deputies has been convened, although the motion of no confidence, which is to be put to the vote on 23 November, will most likely be rejected. It will not be supported either by the coalition's Social Democrats or by the Communists, who provide the minority coalition with a voting majority in the Chamber of Deputies. Both parties are losing support in the polls, are in bad financial situations, and are mired in internal party disputes, including in terms of the costs and benefits of cooperation with Babiš, who has consistently been taking over their voters. While the government is likely to survive the current crisis, the ongoing investigation against the prime minister will continue to threaten the stability of the cabinet, and the possibility that the PM will have charges formally laid against him will revive the debate over his fitness to serve in that position.
- The crisis in the coalition has strengthened the position of President Zeman and gives him a greater opportunity to influence government policy. Zeman has consistently rejected the possibility of a change of prime minister. In return for his support for Babiš, the

president could try to get him to work for closer cooperation with Russia and China, which businessmen close to Zeman are pushing for. The president is also motivated by the fact that his importance on the Czech political scene would diminish if a different constellation of parties came to power.

- The still-unexplained subsidy scandal has weakened the position of the Czech Republic, and especially that of Babiš, within the EU, where the issue of the Czech prime minister's conflict of interests is being raised. According to Transparency International, Babiš apparently transferred the Agrofert agri-food, chemical and media concern which he created to trust funds on a purely formal basis. This would mean that, as a major beneficiary of EU and Czech subsidies (Agrofert received the equivalent of €50 million in agricultural subsidies in 2017), and as prime minister he could have influenced the negotiations on the multiannual financial framework and mechanisms for using EU funds, which is contrary to EU law. Currently, this issue is being investigated by the European Commission, and is also to be taken up by the European Parliament.
- The right-wing opposition has highlighted the presence of Russians among the personnel advising Prime Minister Babiš, as well as the unclear circumstances of the son of the prime minister's journey to Crimea. The Prime Minister denies that his son was kidnapped, but has confirmed that a Russian employed by Agrofert took him into territory annexed by Russia. The case of Babiš's son has caused a new wave of speculation that the Kremlin is taking advantage of the presence of Russians in Prime Minister Babiš's team, especially in the context of the Russian demands (supported by President Zeman) to participate in the construction of new nuclear units in the Czech Republic.