

Mojmír Hampl: Czechs and Austrians – even closer than they appear

Speech by Mr Mojmír Hampl, Vice Governor of the Czech National Bank, at the Wirtschaftskammer Österreich, Vienna, 14 November 2012.

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Ladies and gentlemen, dear guests,

It is a great honour and utmost pleasure for me to speak here today. And believe me, these are not just standard nice opening words. I really mean it.

As if there is anywhere I particularly enjoy visiting, it is Vienna and also Austria as a whole. And as the statistics show, the same goes for many Czechs. More than two million of us visit Austria annually, and the number is going up every year, regardless economic circumstances (not the other way around). This is not due solely to the typical and widespread enthusiasm among Czechs for skiing. Many Czechs simply like Austria as a country. It would be hard for me to find a Czech who does not feel good, safe and comfortable here.

And it is no accident. So, please forgive me if I do not discuss today macroeconomic trends, the extraordinary synchronisation of economic cycles in our two countries, and factors behind continually rising mutual trade. Much of this will be surely covered in the discussion. There is something else I would like to talk about. I would like to make a personal comment about the closeness of our two countries.

After several years spent within the Austrian financial group Erste and its Czech daughter bank, after many visits to Austria on business and on pleasure, and after many working meetings with Austrian partners on various occasions, I have become convinced that Czechs and Austrians have a very similar mentality and share many habits and customs. I would even go so far as to say that hardly any other nation is so similar to the Czechs than Austrians – maybe not even the Slovaks. There are many on either side who will not like this thesis, but I believe there is a lot of truth in it. Not only are Czechs and Austrians typical small savers with a conservative approach to money and debt, and not only do they have similar cultural attitudes to those many petty things important for our lives, from the culture of alcohol drinking to obsession with academic titles, from very similar attitude to clothing to shared mania with sometimes overly bureaucratic procedures here and there. And from comparable attitude to what we deem as the so-called status products in our lives to similar phenomenons and problems also in politics.

Moreover however, there is a similar attitude to work. It was Jack Stack, the former head of Erste Group's Czech subsidiary Česká spořitelna, who made me realise this. He once remarked that it was almost unbelievable how Czechs and Austrians as employees produce very similar outputs and results when given the same tasks to perform. For example, argued Stack, they like to deliver something they regard as perfect straight away, and they do not like it when their boss finds fault with what they deliver and firmly believe is perfect from the very beginning. They are essentially very disciplined, and that is the gospel truth. As an American, Mr Stack had an unbiased view and a great eye and feel for this sort of thing. And he was in many aspects right and revealed what was hidden to many of us.

I can confirm that these similarities between Czechs and Austrians are particularly visible in Central European and international teams. I have been reminded of them on many occasions.

The last time was fairly recently, when we were negotiating the new position of our countries in the mighty International Monetary Fund with colleagues and friends from the Austrian central bank. This year we achieved an incredible outcome: Austria, the Czech Republic and Hungary will have the right to appoint an executive director – one of the 24 executive directors in the IMF – each country for a fixed term. As a group of Central European countries we will therefore have the same representation as far larger and more populous

countries. When the agreement was officially signed at the Hofburg Palace here in Vienna this summer, with the Austrian president in attendance, I was reminded that it would perhaps have been impossible to achieve such an outcome on such a delicate and sensitive issue without this foremost mental closeness and some similarity of thought.

However over the top it might seem to some, we are indeed very close mentally as well as geographically – perhaps more so than we would care to admit and more than we would like to admit, I should add.

So, if you want to know a bit about the future of our economic, civic and other relationships and want to know how the other country is going to respond/react, all you need to do is look in the mirror. As really, you look at your neighbour in the Czech Republic or Austria, you will see something of yourself. Our relationships are sometimes like those within a broad family. Needless to say, we don't always get along swimmingly. Besides many positive emotions, there is sometimes envy, spite, bickering, lack of understanding. Again, how typical are all these emotions for broader families. As a result, issues can arise between us. But that feeling of closeness in my eyes remains and should remain. It is a feeling I firmly believe we might share.

I don't want to get too sentimental, but it is clear that our centuries-long common and shared history is no mere accident and that without exactly this similarity and closeness maybe our shared history could never have been so long in the first place.

Again, this does not mean that we do not have our differences. Yes, we are still not equally wealthy, for example. Our elites have different opinions on many issues. Logically, we have different historical national wounds and pains. But again, this changes nothing in our mental – and not just geographical – closeness.

Ladies and gentlemen, we are in Vienna, and my favourite Czech philosopher Vilém Flusser once said that Vienna and Prague are just two halves of one, single city. I very much agree. Perhaps this is ultimately why Czechs feel good in Austria: they feel very much at home.

Therefore allow me right here my last point: if you are looking for anecdotal evidence of the closeness I am talking about, here is one anecdote I like to give here in Austria. Because we have friends here at the central bank, it is good to realise that the governor of the Austrian central bank is named Nowotny, his vice-governor and my dear friend is named Duchatczek, and the head of the local financial markets authority is called Pribyl. All these are typical Czech names. Meanwhile, the head of the Czech National Bank goes by the name of Singer, his deputy is a certain Mr Hampl, and our executive directors include a Mr Schmidt and a Mr Bauer. In other words, there is some truth in the idea that we are close. I believe this is something we can build upon. I am very much looking forward to discussing with you.

Vielen Dank für Ihre Aufmerksamkeit.