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THE IMPACT OF LARGE ENTERPRISES ON THE ECONOMY OF THE CZECH REPUBLIC

Abstract:

Large enterprises represent a key group for the economy of the Czech Republic. The aim of the study is to assess the influence of large enterprises on the socio-economic development of the Czech Republic and to assess the legitimacy of public support for these companies. The study is primarily focused on economic issues. Social and environmental areas are complementary part. The study was prepared in response to the currently debated state aid rules, which significantly change the ratio of the maximum public support for small and medium-sized enterprises and large enterprises. In general, it is possible to mark the effect of large enterprises in the economy as very positive. Large enterprises are a key part of the economy of the Czech Republic and the EU. Despite their relatively low share in terms of total number, they contribute significantly to employment, production and added value throughout the whole economy. Even small proportional changes in economic activities of large enterprises have significant impacts on public budgets and the involvement of SMEs in the export. Large businesses represent a significant demand for research and development results. In addition to this they also carry out their own research. Therefore large enterprises are a key accelerator of development of applied research and development. They do a wide range of social activities, such as sponsoring sport, cultural and other social activities. Environmental protection is an integral part of their strategic thinking. Large enterprises make up the majority of foreign investment in supported sectors in the Czech Republic and have a major impact on an image of national economies.

Keywords:

large enterprises, Czech Republic, socioeconomic development, foreign investment, state aid

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