

Abstract

This paper deals with the issue of synchronization of the Czech economy and the economy of the eurozone. The OCA theory which is key theoretical basis for the analysis contained in the paper is briefly described in the first part. In the second part cyclical and structural synchronization is evaluated by the means of correlation coefficients of the development of GDP, industrial production, inflation and interest rates. The obtained results show sufficient level of synchronization, impacts of the financial crisis also rather contributed to the current level of synchronization. Arguments for and against synchronization are discussed in the third part as well as mutual dependency of the both economies. Two quarters time lag of the Czech GDP growth rate behind the eurozone is discovered in the pre-crisis period. At the end OCA-index for the Czech Republic is recalculated, the value of the OCA-index for the Czech Republic is the lowest among tested countries.