

Abstract

The bachelor work deals with an issue of Czech household indebtedness. The author focuses especially on a topic of over-indebtedness and its causes. Life on credit became a serious problem, which has negative impact on society. The first part is devoted to explain trends of an increasing consumption based on theories of consumer and postmodern society. The topic of poverty and social exclusion is described in connection of debt problems. The second part engages present situation of household indebtedness in the Czech Republic and compares it with international statistics of European Union. Special part is dedicated to confront situation in Great Britain with the Czech Republic. The key part of work focuses on drivers of over-indebtedness. There are three main reasons: low income, high costs and low level of financial literacy. The author proceeds to analyze ways of prevention the low level of financial literacy, including debt counseling and educational programs for children who attend both primary school and high school. The last chapter explores a profile of a debtor as a result of conducted interviews and analysis of statistical data.