

Prospects & Perspectives



The current Babiš line is less a correction of the Fiala years than an attempt to revise their political meaning. The new government's basic narrative is simple: Fiala tilted too far toward Taiwan, neglected China, and harmed Czech economic interests in the process. It is an argument that is easy to communicate. It just does not fit the facts very well. Picture source: Andrej Babiš, November 5, 2025, *Facebook*, <<https://www.facebook.com/photo.php?fbid=1392419535576554&set=pb.100044255628110.-2207520000&type=3>>.

Czech-Taiwan Relations Under Babiš:

The Shift is Real, But Shallow

By *Martin Hála*

Prague's new government wants to look more “pragmatic” on China. Beneath the rhetorical shift, the foundations of Czech-Taiwan ties remain largely in place.

For the past several years, the Czech Republic has stood out as one of Taiwan's most outspoken partners in Europe. That reputation was built not just on political signaling, but on a growing network of practical ties. Under Petr Fiala's center-right government (2021-2025), Czech-Taiwan relations gained a firmer institutional footing. Direct Taipei-Prague flights began in 2023. CzechInvest opened an office in Taipei in 2024. The Czech Centre followed soon after. A series of projects designed to support the Czech Republic's nascent chip industry came online throughout this period. Czech-Taiwan ties, in other words, had already matured beyond goodwill gestures and into a more regular and institutionalized relationship.

Then Andrej Babiš returned to office. Since his populist-leaning ANO-led coalition with SPD and Motorists took power in December 2025, Prague has been sending a different signal. The clearest example came in April 2026, when Babiš refused to provide a government aircraft for Senate President Miloš Vystrčil's planned trip to Taiwan. He justified the move by saying that his government wanted a more "pragmatic" foreign policy, one that would not hurt business ties with China.

A new broom in Prague

Rather than a genuine policy reversal, the move was designed as a rhetorical break with the previous government to signal domestic political repositioning. Babiš and his allies spent years denouncing the Fiala government in sweeping and often grotesquely exaggerated terms as incompetent, elitist, and detached from the concerns of ordinary people. Now in power, they need visible ways to distinguish themselves from their supposedly dismal predecessor.

Yet foreign policy offers limited room to maneuver. On the big security questions of the day, above all Russia's war against Ukraine and the Czech Republic's place in NATO and the EU, any government in Prague will be constrained by reality. Taiwan and China, by contrast, offer a convenient field in which a new cabinet can signal change without risking to bring down the country's entire foreign policy and security framework. The issue is visible, emotionally charged, and politically useful. It lends itself perfectly to a populist contrast: unlike Fiala, Babiš will not pursue "value-based" diplomacy or indulge in "moral posturing," but will instead pursue "pragmatic" policy "to benefit our people."

The legacy of shame

The problem with this line of argument is that the promised economic benefits are hard to identify, and the Czech (re)turn toward Taiwan did not begin under Fiala in the first place. It started earlier, during Babiš's own previous term as prime minister (2017-2021), and for reasons that were anything but abstract or ideological.

The shift away from Beijing was driven above all by the rather dramatic collapse of the earlier Czech opening to China under President Miloš Zeman (2013-23). Two episodes in particular left a deep and lasting impression on the collective Czech psyche.

The first was the implosion of China Energy Fund Committee (CEFC), the supposedly prestigious Chinese company that had come to dominate the public image of Czech-Chinese relations. CEFC's chairman, Ye Jianming, became so central to the relationship that Zeman appointed him as his official adviser in 2015. When Ye was forcibly disappeared in China in 2018 and CEFC collapsed amid scandal, the result in the Czech Republic was shock, embarrassment, and disillusionment. Some lost money; many more lost whatever illusions remained about the supposed strategic promise of the China connection.

The second turning point came when the late Senate President Jaroslav Kubera decided in 2019 to visit Taiwan. Kubera was in fact quite close to Zeman and certainly did not mean to torpedo the latter's pro-Beijing line. Still, he came under heavy pressure from both Prague Castle and the Chinese Embassy hellbent on stopping him from going. Then, in January 2020, he died suddenly, just a few days after a one-on-one meeting with the Chinese ambassador. Inevitably, rumors started swirling. He was succeeded by Miloš Vystrčil who made it a matter of principle to fulfill his mentor's plan and travel to Taiwan. His visit in August 2020, with Babiš still prime minister and Zeman still president, marked a symbolic turning point.

Recasting recent memory

Seen from this angle, the current Babiš line is less a correction of the Fiala years than an attempt to revise their political meaning. The new government's basic narrative is simple: Fiala tilted too far toward Taiwan, neglected China, and harmed Czech economic interests in the process. It is an argument that is easy to communicate. It just does not fit the facts very well.

Relations with Beijing under Fiala were cool, no doubt, but not broken. Trade continued as usual. In fact, according to the Czech embassy in Beijing, Czech exports to China rose from EUR 2.537 billion in 2021 to EUR 3.023 billion in 2024, while imports from China remained enormous at EUR 36.708 billion in 2024. The basic problem in the relationship was not a diplomatic breakdown, but structural imbalance in trade that long predates Fiala. Routine business with China goes on, regardless of who is in charge in Prague, and how mollifying, or not, that person may be toward Beijing.

Diplomacy and trade

The same goes for the business complaints now being recycled in the latest Taiwan debate. The favorite example is Škoda Auto, often cited as proof that Czech government's friendliness toward Taiwan hurt its business in China. Škoda's own figures tell a different story. Its China deliveries fell from 22,800 vehicles in 2023 to 17,500 in 2024, a drop of 23.1 percent. That slump, mirrored by other foreign automakers in China, is a long-term consequence of their joint-venture business model, not of a parliamentary visit to Taipei. Put simply, Czech firms in China are struggling for structural reasons that no amount of diplomatic deference from Prague would fix. Babiš should know better: he himself got burnt in China in the 1990s, when his local partner embezzled their joint venture producing chemical dyes.

This is why the likely scope of the current "reset" with China is limited. The government can cool the rhetoric toward Taiwan. It can try to strip the relationship of "moral," value-based language. It can present itself as more business-minded and less "ideological." But that is not the same as rebuilding a meaningful political partnership with Beijing. The Czech side no longer has a strong, concentrated business constituency pushing for such a move with the intensity seen during the Zeman years. The two major Czech companies that once made large amounts of money in China, Škoda and Home Credit, have both effectively been pushed out of that market.

The fundamentals remain

Meanwhile, the Taiwan relationship has acquired its own institutional base: Senate diplomacy, research links, semiconductor cooperation, direct flights, cultural presence, and investment channels. These are not easily undone by one cabinet's change in tone.

For now, then, the Babiš government's approach should be read with caution, but not quite with alarm. It is best understood not as a full geopolitical reversal, but as a domestic political maneuver directed as much against the previous government as toward China itself. The rhetoric is changing, and that matters. Tone is important in diplomacy. But substance has changed much less than the rhetoric suggests.

Czech-Taiwan relations are likely to become less celebratory at the top. They are not, however, likely to suffer all that much. The foundations built over the last several years remain in place, and the reasons why Prague cooled toward Beijing in the first place have not gone away, either. In that sense, the current shift is real, but shallow. It is a change in messaging, not yet a change in course.

(Martin Hála is a Czech sinologist and founder-director of the Sinopsis project.)

Editor's Note: The views expressed in this publication are those of the authors and do not necessarily reflect the policy or the position of the Prospect Foundation.

Prospect Foundation is an independent research institution dedicated to the study of cross-Strait relations and international issues. The Foundation maintains active exchanges and communications with many think tanks of the world.

Prospect Foundation

No.1, Lane 60, Sec. 3, Tingzhou Rd., Zhongzheng District
Taipei City, 10087, Republic of China (Taiwan)

Tel: 886-2-23654366 Fax: 886-2-23679193

<http://www.pf.org.tw>

