

Outline of a planned book publication

The UNECE Post-Transition Economic Policy Forum (PTEPF) should identify major economic issues and problems that are specific to the present stage of development in the countries that underwent transition from plan to market. The Forum is to support research and policy dialogue, involving prominent academics and policy makers from UNECE member countries. Moreover, it will seek to come up with policy-relevant conclusions, aiming at a wide dissemination of such recommendations and the underlying research. A highly visible book would contribute to this objective.

The structure of the publication proposed reflects divergent paths of transition economies that imply specific policy priorities. The choice of topics is motivated by the need to explore some challenging policy issues in a non-antiquarian manner while taking into account research interests of the group of experts that are currently associated with the PTEPF project. Following the introductory part including recommendations, the three subsequent thematic parts analyze specific issues faced by policy makers at diverse stages of institutional development. The final part evaluates alternative strategies while drawing on conclusions of the previous chapters.

FROM TRANSITION TO POST-TRANSITION IN EASTERN EUROPE AND CIS: POLICIES FOR THE NEXT DECADE

Part I. Introduction and overview

Spells out basic policy issues in post-communist countries at diverse stages of development, outlines the importance of external anchors for institutional reforms, of natural resource endowments plus relevant transport capacity, of geopolitics, etc. Discusses the import of institutional development for economic performance. Provides a brief overview of pertinent recommendations.

Part II. Reform challenges in the post-transition phase

[EU-accession and candidate countries]

Chapter 1. Policies for a knowledge-based economy

- The Lisbon agenda: a useful program or an unnecessary detour?
- Priority targets for the education system and how to achieve them.
- R&D policy: focus on inputs or outcomes?

Chapter 2. Policies for full employment

- High employment or high productivity: alternative policy options?
- The army of unskilled jobseekers: how to transform it into an effective labour reserve at affordable cost?
- High labour mobility – desirable and feasible in post-transition Europe?
- Ageing: a double challenge in a society with high unemployment and low birth rate

- Labour market flexibility: are trade-offs between low wages, low protection and high unemployment unavoidable?

Chapter 3. Post-accession macroeconomics

- Any sensible policy alternatives to the ERM2/EMU sequence?
- Fiscal rules – are there better (than Maastricht) options for post-communist EU members (e.g. Polish debt rule that is stricter than Maastricht)?
- Tax competition: an advantage or unfairness?

Part III. Overcoming resource dependence

[Russia, Kazakhstan and other resource-rich CIS countries]

Chapter 4. Abundant natural resources – a curse or a blessing in disguise?

- How not to catch the Dutch disease?
- Natural resource rents and their economic and political significance in the post-Soviet context – what is to be done?
- The primacy of geopolitics?

Chapter 5. Economic diversification: back to the future or forward to the past?

- Back to the future – diversification through FDI and liberalisation?
- Forward to the past – diversification through central planning?
- The third way – maybe there is one after all?

Chapter 6. Modernization of the general government sector

- Reduce over-employment while improving outcomes through output-oriented budgeting?
- Education and health – key sectors in need of restructuring and investment. But how? Private sector involvement – where and why?
- Administration – more or less centralisation desirable?

Part IV. Ways out of transition traps

[7 CIS low-income countries, Albania, Bosnia, Macedonia, Serbia]

Chapter 7. Policies for regional co-operation and stability

- Trade liberalisation and enhancement – desirable but how can it be made attainable?
- Joint management of network industries (electricity, gas, telecoms, transport, water) – new policies needed to improve incentives for regional co-operation?

Chapter 8. Mobilization of internal and external resources

- Removal of self-imposed barriers to growth?

- What kind of development assistance is needed most and why?
- Assessment of the role of international financial organisations in promoting transition and development

Part V. Alternative strategies for the post-transition period

Chapter 9. Policy lessons of success and failure in transition

- Which economic and social policies worked well for advanced post-communist countries?
- Can one transplant successfully such policies into the institutional environment of less advanced post-communist economies?

Chapter 10. Alternative models of integration across and beyond Europe

- Wider Europe, enhanced transatlantic co-operation, or integration into Far East region?
- Scope and rationale for improved regional co-operation such as the Russian-led Common Economic Space initiative.
- The role of national and international financial markets in the economic development of CIS economies.