



UNECE Weekly

United Nations Economic Commission for Europe

Issue N° 190 – 18-22 September 2006

Krynica: the Polish “Davos Forum”



From left to right: Bogdan Pascu, Deputy Prime Minister, Government of Romania; Marek Belka, UNECE Executive Secretary; Mauri Pekkarinen, Minister of Trade and Industry of Finland; Vytautas Navickas, Minister of Economy of Lithuania

Nearly 1200 businessmen, politicians and scientists participated in the XV Economic Forum in Krynica (Poland). The Forum long ago gained fame as the “Polish Davos” and as the main economic congress in the area of Central and Eastern Europe. UNECE Executive Secretary Marek Belka acted as moderator and participated in two panel discussions.

Who are the European “tigers”?

One of these panels was devoted to “Economic tigers in the enlarged EU - Where to look for them among Newcomers?”

Among the questions discussed was the simple notion of European economic

All EU newcomers, irrespective of what the statistics show today, all of these countries are potential economic tigers

tigers. What does it mean? One of the answers was that all the newcomers, irrespective of what the statistics show today, are potential tigers. Why? Because they are small as compared to many West European economies. Some of them can even be considered as micro economies. They have joined a very big economic entity which is much more developed. Compared to this entity companies in the newcomer countries are much more competitive in terms of cost competitiveness and wage competitiveness – and this has given a huge boost to their economies. Does it mean that all eight post socialist countries will be equally successful? Certainly not, but on the openness of their economies it will give them a comparative advantage. Those

who are going to join the Euro zone will be even more advantaged. The Euro may not be an automatic blessing, but for these economies, getting into the Euro zone is just like getting onto a highway. When you have a crash on the highway this has a much bigger impact than having an accident on a small road. But if you drive carefully it allows you to speed up, just like these economies will profit from the “Euro highway”.

In fact if one looks at the Baltic States, a decade ago they were among the poorest of all of the 25 EU countries. In less than

10 years they are going to overtake the EU average in terms of GDP per capita.

In 15 years everything has changed

These eight “newcomers” have been engaged in reform over the last 15 years, changing basically everything. They took care in an efficient manner of the so-called supply side of the economy, and now with accession to the EU they are getting a huge demand boost in terms of all kind of European funds. So they have a supply-side potential developed over the years of reform, plus a huge boost from the demand side. This should enable them to become “Tigers” in the coming years.

The second panel in which Mr. Marek Belka participated was on “How to consolidate and globalize the European economy?” This panel mainly focused

Question of the Week to ...



Mr. Hubert Van Eyk, Chairman of the Committee on Housing and Land Management

What are the problems encountered by apartment buildings?

The problem is that the management structures are lacking in central and Eastern Europe. This management structure used to be there before 1989 when houses were owned by the state. After 1989 as tenants became owners there was no structure in place to effectively manage these high rise houses. There was nobody to ensure that proper maintenance was carried out, as well as their refurbishing. What was and is still needed are home owners associations. However in order for these associations to function properly, legislation has to be in place to give them sufficient power to act. The situation is further deteriorated by the fact that in many countries people do not have enough money to undertake the minimum work which is needed to maintain their houses as well as to implement energy saving measures which are needed especially in view of high energy prices. These are some of the topics which will be dealt with at the ministerial meeting.

What do you expect from the Committee and Ministerial meetings?

Two major problems of the housing sector will be taken up. Firstly, as mentioned above, the multi-family housing stock which is of great concern to Eastern and Central Europe. While for Western Europe we will touch upon more socio-economic integration problems. In November last year there was a great deal of unrest in France and in other countries in the suburbs and mainly in multi-family housing stocks.



Today's urban challenges

UNECE Ministerial Meeting in Geneva

Urban areas throughout the UNECE region are under strain. In West European countries, economic changes and unemployment have led to urban segregation and the emergence of deprived neighbourhoods. Residents of such neighbourhoods have limited access to public and private services, and they often feel that their personal security and safety is threatened. Tightening public budgets have resulted in less investment in housing. In a number of countries, social tensions last year led to protest and unrest.

The meeting takes place under the auspices of the intergovernmental Committee on Housing and Land Management and the chairmanship of Ms. Maria Antonia Trujillo Rincon, Minister of Housing of Spain (Chairperson), and Mr. Laszlo Borbely, Delegate Minister for Public Works and Territorial Planning of Romania (Vice-Chairperson). The meeting will take place in Geneva as part of the 67th session of the Committee on Housing and Land Management.

Against this background, UNECE ministers of housing, spatial planning and land management are meeting in Geneva on 19 September to discuss the significant challenges confronting urban areas in many countries.

(Palais des Nations, Conference Room VII, starting on 19 September at 10 a.m.) ❖



cont.

on the following questions: What are the strengths and weaknesses of the European economy when confronted with the other big player in the global economy? Is there something in the enlargement that can increase the competitiveness of Europe? Is the Euro dynamising the economy? What is wrong with the

Lisbon strategy? Is it its implementation or something more fundamental?

One of the conclusions was that it is not true that European countries haven't done much in the last 10-15 years, but something is missing. What is missing? This question was not fully answered. Some suggested that there is something in the Lisbon strategy which does not meet the challenges facing Europe in the context of global competition today.

❖



cont.

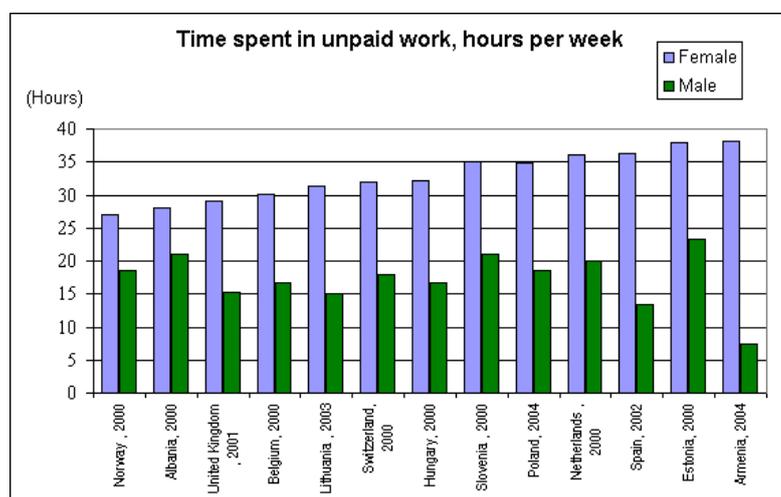
The problems are interlinked and very complicated but need rapid action. I hope that the meetings will highlight some answers to this difficult issue. The presence of about ten ministers and a number of high-level decision-makers is a good sign of the political will of governments to tackle it.

The meeting will issue a ministerial declaration which we hope will give an impetus to the work on these two topics which are crucial for the lives of very many inhabitants in the UNECE region.

❖

Facts and figures

Unpaid work is still a "prerogative" of women



Source: UNECE Gender database, compiled from international and national official sources.

Note: Unpaid work includes domestic services for own final use and unpaid care-giving services, both within and outside the household.

The difference in time spent by men and women on unpaid domestic work and care-giving services reflects the persistence of the traditional division of roles within households in both high and low income UNECE countries. Interestingly, the households of the two lowest-income countries in the sample are found on opposite sides in this regard: the difference between men and women is lowest in Albania and highest in Armenia. In fact, Armenian women devote more than 5 hours per day to unpaid work, while men spend just about one hour on such activities. The proportion is nearly 3 to 1 in Spain and about 2 to 1 in Lithuania and the United Kingdom.

Coming up ...

18-20 September
Committee on Housing and Land Management

18-22 September
Working Party on Brakes and Running Gear

19-22 September
Working Group on Strategies and Review

For further information please contact:

Information Service
UN Economic Commission for Europe (UNECE)
CH - 1211 Geneva 10, Switzerland

Tel: +41(0)22 917 44 44
Fax: +41(0)22 917 05 05
E-mail: info.ece@unece.org
Website: <http://www.unece.org>