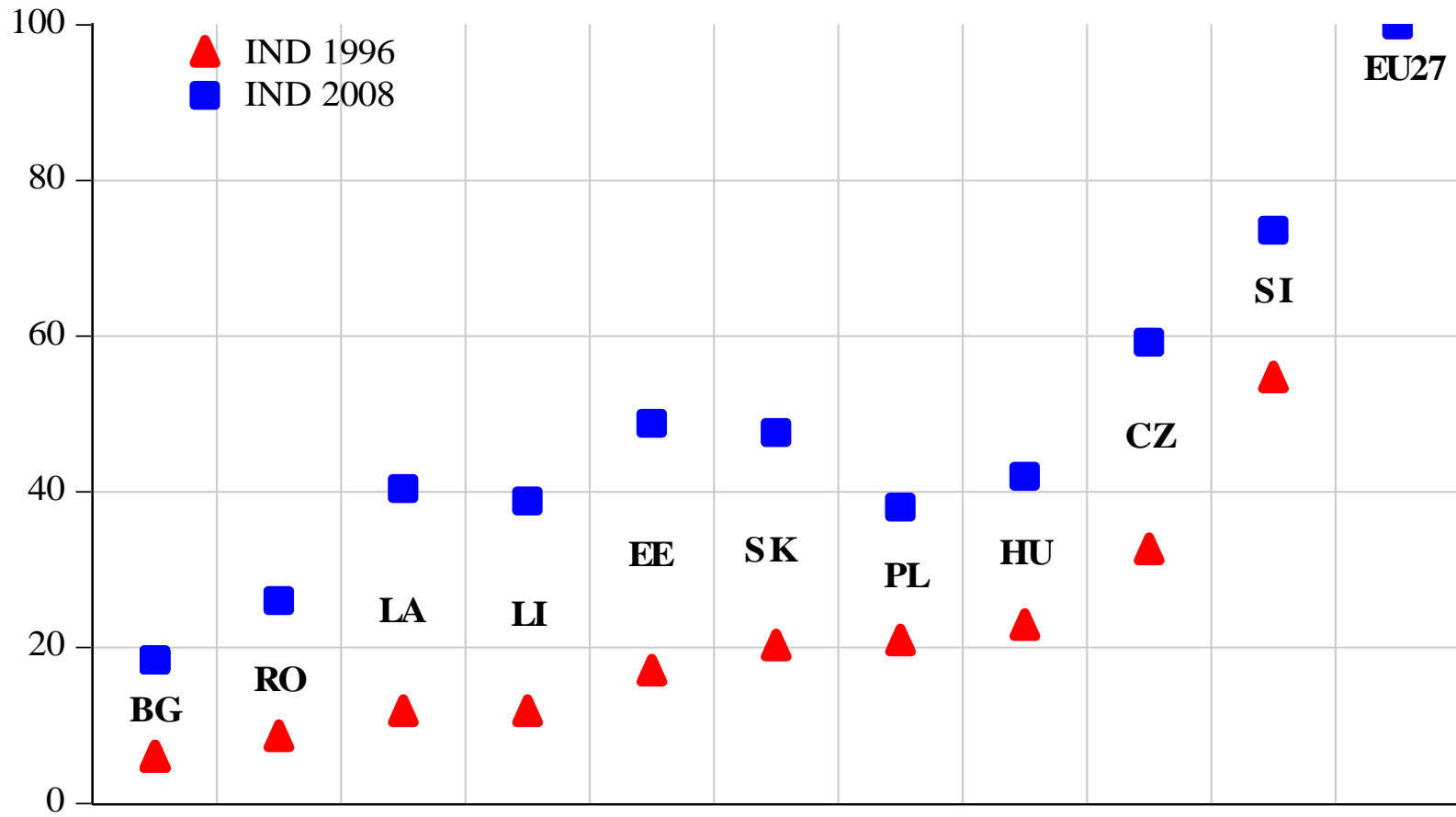


**FROM THE COLLAPSE OF SOCIALISM
TO THE CRISIS OF CAPITALISM**
**Experiences of Central and Eastern
European Countries**

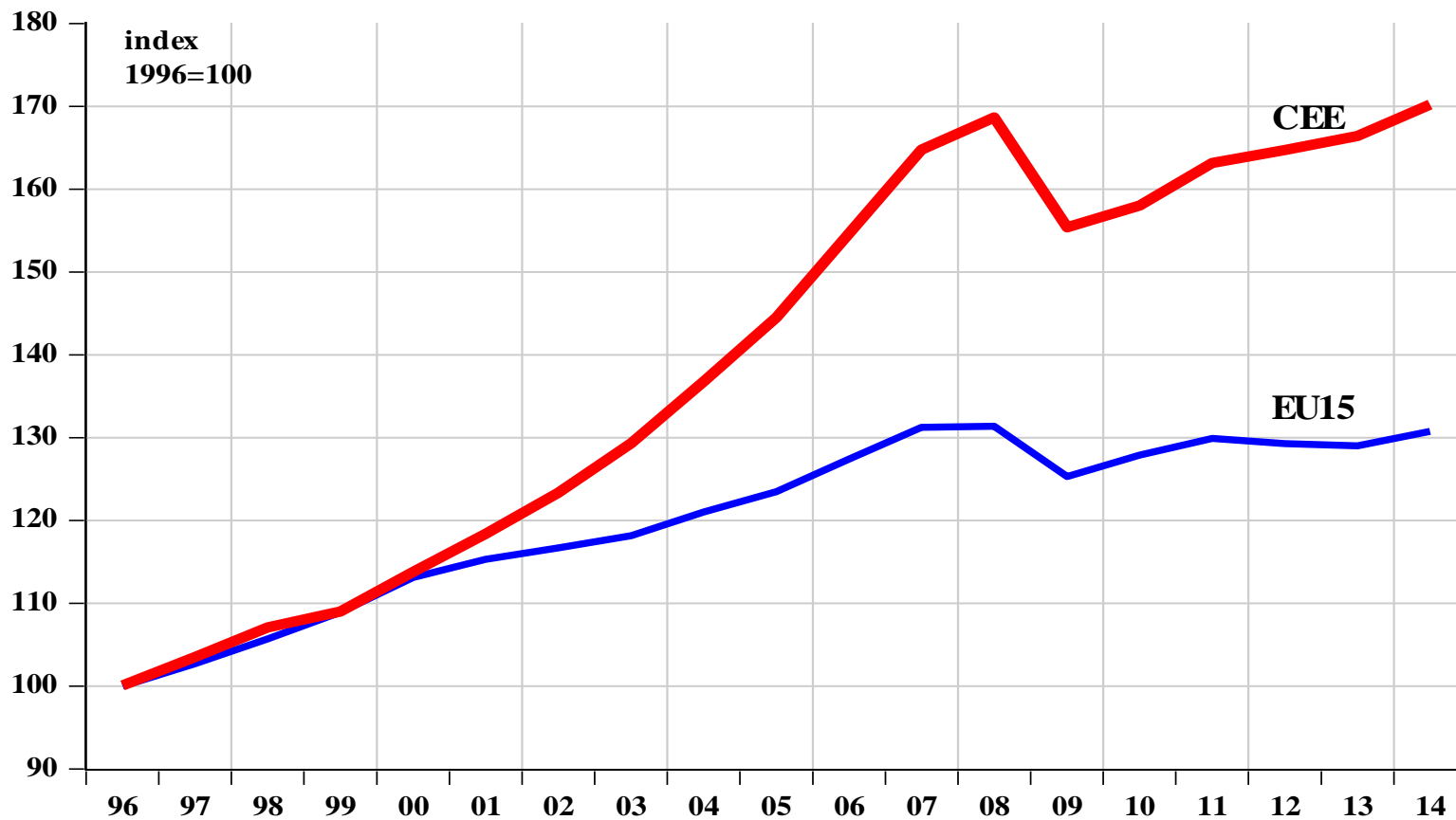
**19 th Conference on Alternative Economic Policy in
Europe
London, 20-22 September 2013**

Jože Mencinger, PF UL and EIPF

CONVERGENCE OF CEE COUNTRIES TO EU AVERAGE



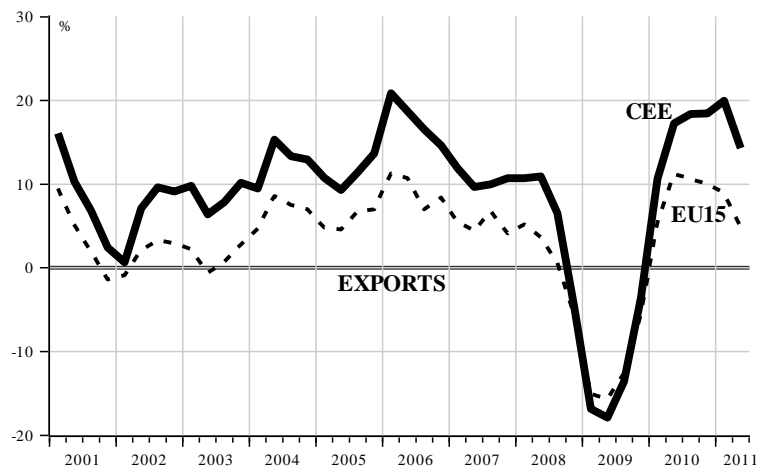
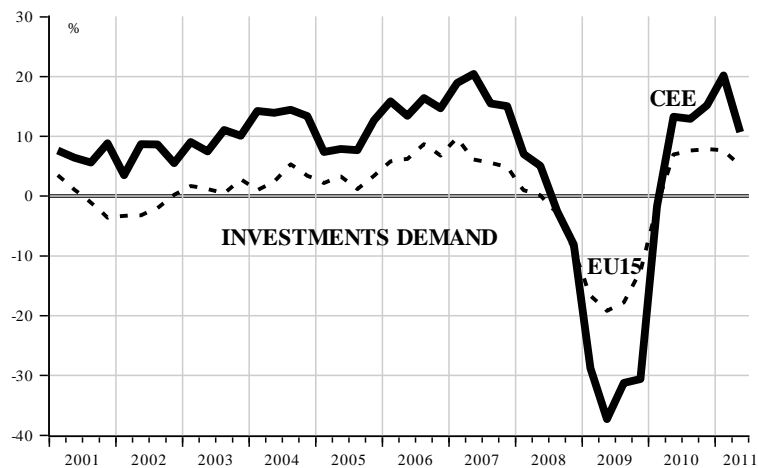
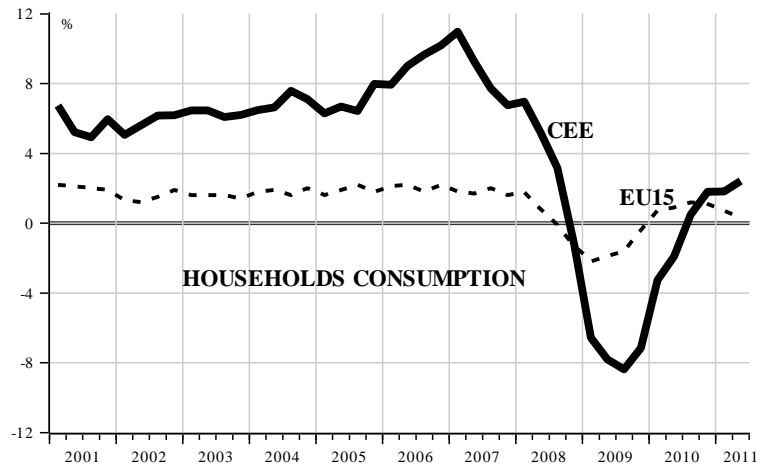
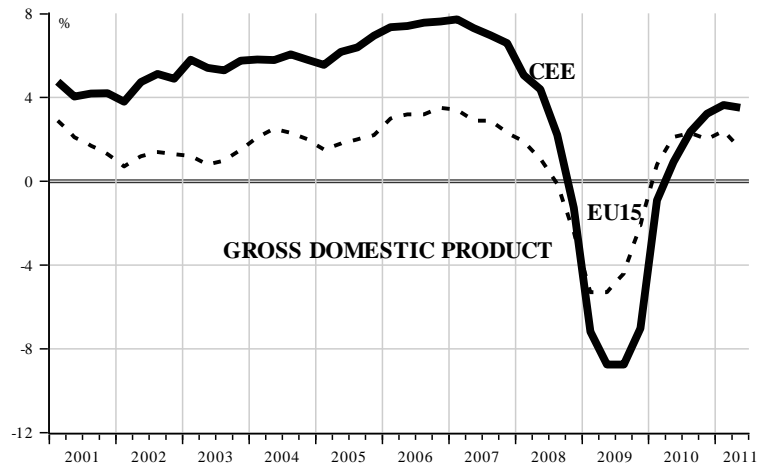
LONG RUN DEVELOPMENT OF CEE COUNTRIES



CEE COUNTRIES AT THE END OF “GOLDEN ERA” 2007 or 2008

	Popula- tion, millions	GDP/ Capita €	Unemp rate %	Export/ GDP ratio	Export/ Capita €	Current Account %GDP	Net Financia Position % GDP	Budget Balance % GDP	Public debt % GDP	Credits GDP ratio
Czech R	10.3	13100	5.3	0.69	9600	-3.3	-36.6	-9.6	28.7	0.72
Estonia	1.34	10300	4.7	0.51	6310	-17.3	-75.0	2.5	3.4	-
Latvia	2.28	8200	6.0	0.30	3030	-22.9	-70.6	-0-3	9.7	1.15
Lithuania	3-38	7900	4.3	0.44	4770	-13.7	-49-9	-1.0	7.31	0.71
Hungary	10.1	9300	7.4	0.68	7340	-4.4	-109.9	-4.9	66.0	0.81
Poland	38.1	8100	9.6	0.32	3040	-3.7	-45.9	-1.9	45.2	0.59
Slovakia	5.40	11700	11.1	0.76	8950	-5.7	-49.7	-1.9	29.4	0.56
Slovenia	2.02	17300	4.9	0.59	11500	-4.9	-21.9	-0.1	24.1	1.09
Bulgaria	7.70	4000	6.9	0.40	1990	-21.5	-113.3	1.1	18.2	0.85
Romania	21.5	5800	6.4	0.24	1560	-14.1	-45.8	-2.5	13.0	0.53
EU15	330	27200	7.2	-	-	-	-	-0.7	66.3	-
EU27	501	23600	7.1	-	-	-	-	-0-9	59.0	-

THE DEPENDENCE OF CEE ON EU15



ECONOMIC PERFORMANCE AND SOCIAL COHESION OF EU STATES

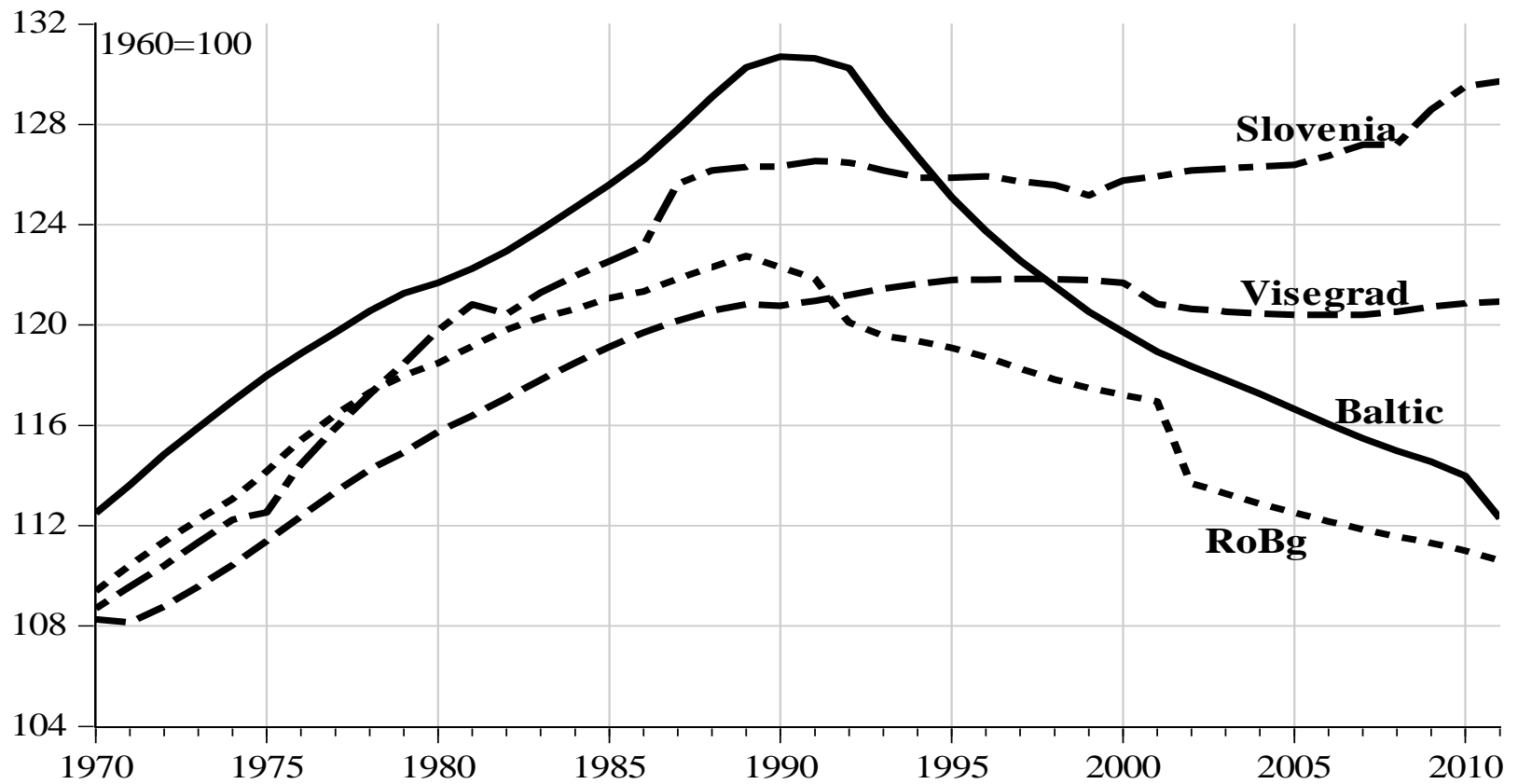


RANKING OF CEE COUNTRIES BY SOME RATING INSTITUTIONS

	Heritage Foundation Index 178 countries	Fraser Freedom Index 141 countries	WEF Index 139 countries	ECI Index 128 countries	HDI Index 179 countries
Czech Republic	70.4 (3)	7.13 (6)	4.57 (2)	1.63 (1)	0.865 (2)
Estonia	75.2 (1)	7.52 (2)	4.61 (1)	0.79 (7)	0.835 (3)
Latvia	65.8 (6)	6.92 (9)	4.14 (9)	0.59 (9)	0.805 (8)
Lithuania	71.3 (2)	7.40 (4)	4.38 (5)	0.68 (8)	0.810 (7)
Hungary	66.6 (5)	7.52 (3)	4.33 (6)	1.43 (3)	0.816 (5)
Poland	64.1 (10)	70.0 (8)	4.51 (3)	1.02 (5)	0.813 (6)
Slovakia	69.5 (4)	7.56 (1)	4.25 (7)	1.38 (4)	0.834 (4)
Slovenia	64.6 (9)	6.78 (10)	4.42 (4)	1.52 (2)	0.884 (1)
Bulgaria	64.9 (7)	7.34 (5)	4.13 (10)	0.59 (10)	0.771 (10)
Romania	64.7 (8)	7.08 (7)	4.16 (8)	0.94 (5)	0.781 (9)

Values of Heritage Foundation index are between 89 and 22, Fraser index between 9.01 and 4.06, WEF between 5.63 and 2.73, ECI index between 2.31 and 0.19, HDI between 0.94 and 0.34; in brackets position among CEE countries.

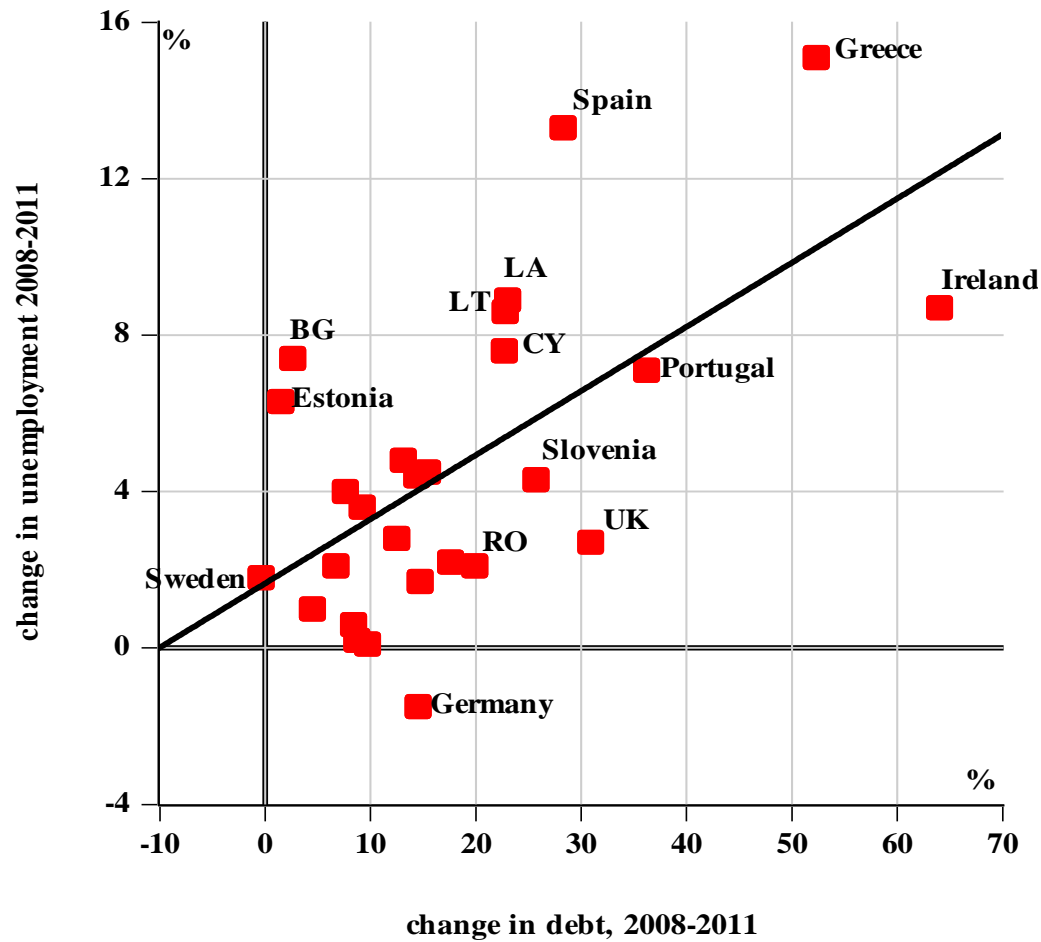
POPULATION OF CEE COUNTRIES



EXPOSURE OF CEE COUNTRIES AT THE BEGINNING OF THE CRISIS

	GDP to GDP27 2007	Export/ GDP 2007	Foreign banks % of assets	ROE of banks 2007	Loan/ Deposit ratio July 2008	Current Account/ GDP 2007	Net Financial Position/ GDP 2007
Czech Rep	81.3	0.69	83	25	0.77	-3.3	-36.6
Estonia	70.6	0.51	99	29	1.62	-17.3	-75.0
Latvia	58.0	0.30	63	26	2.90	-22.9	-79.6
Lithuania	61.0	0.44	92	29	1.53	-13.7	-49.9
Hungary	63.5	0.68	83	20	1.32	-4.4	-109.9
Poland	53.8	0.32	70	23	1.15	-3.7	-45.9
Slovakia	68.6	0.76	97	19	0.86	-5.7	-49.7
Slovenia	90.9	0.59	36	15	1.60	-4.9	-21.9
Bulgaria	38.1	0.40	80	24	1.29	-21.5	-113.3
Romania	40.0	0.24	88	26	1.27	-14.1	-45.8

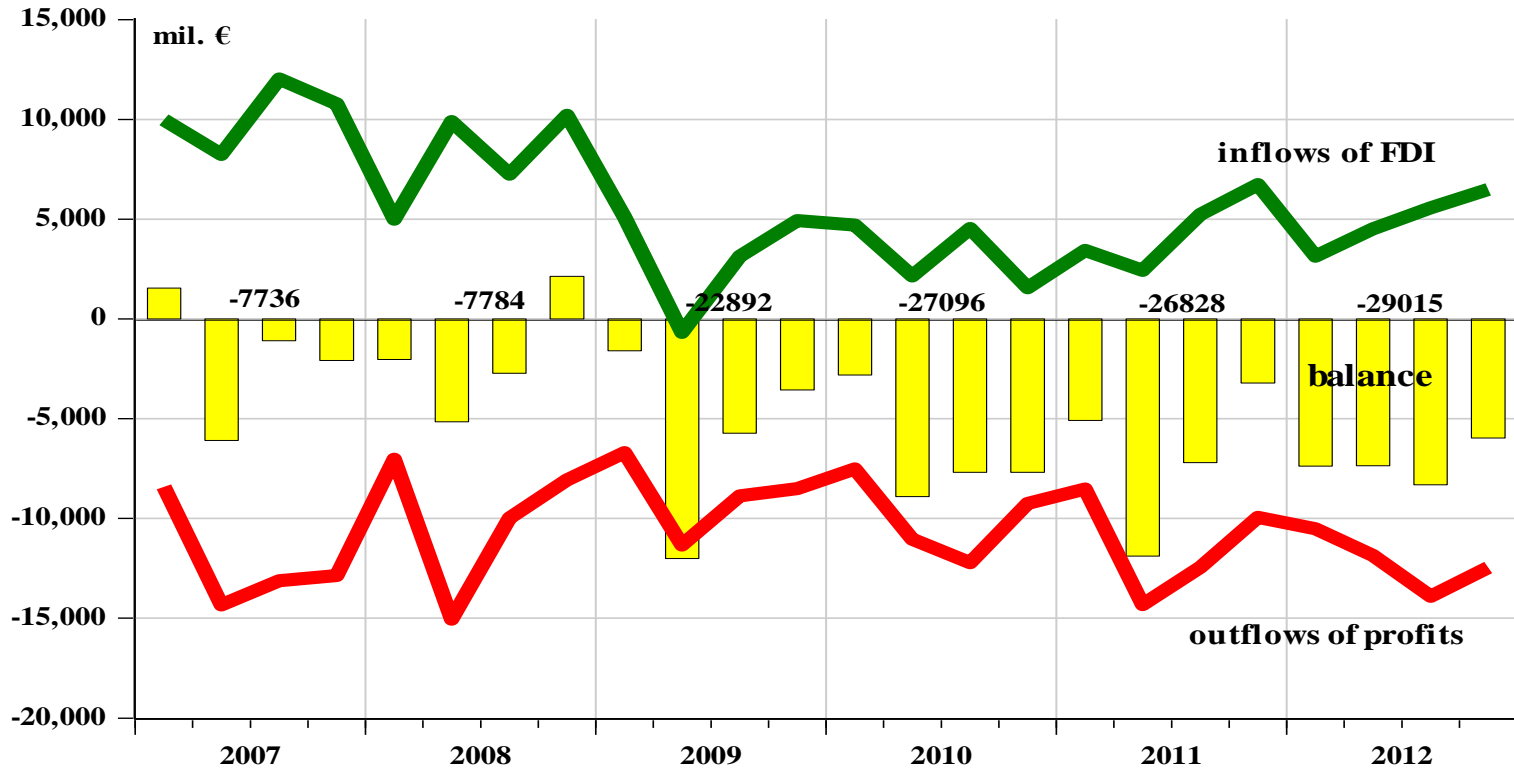
PERFORMANCE IN THE CRISIS



PERFORMANCE OF NMS AND EUROPEAN “SOUTH”

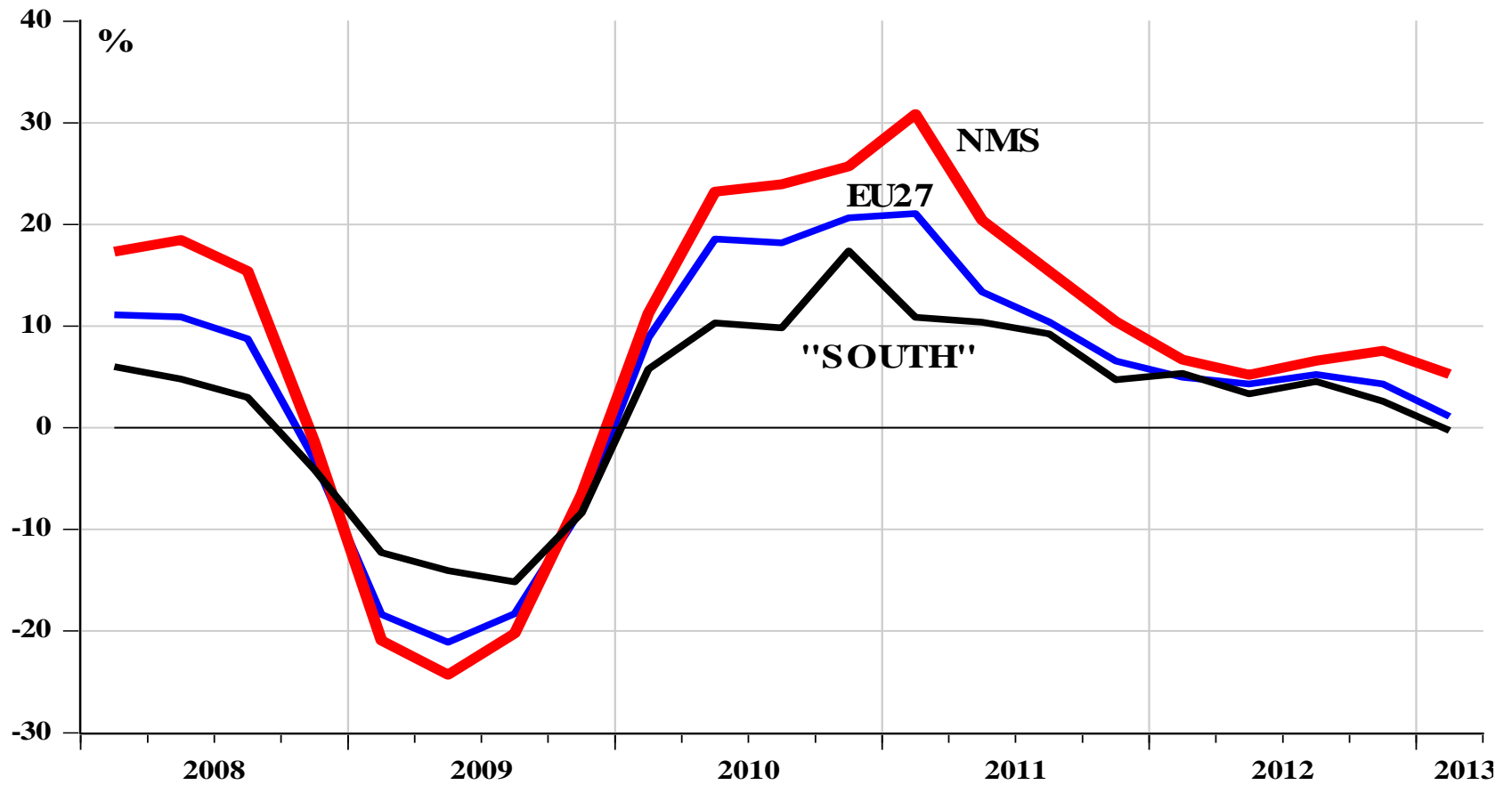


CAPITAL FLOWS TO CEE DURING THE CRISIS

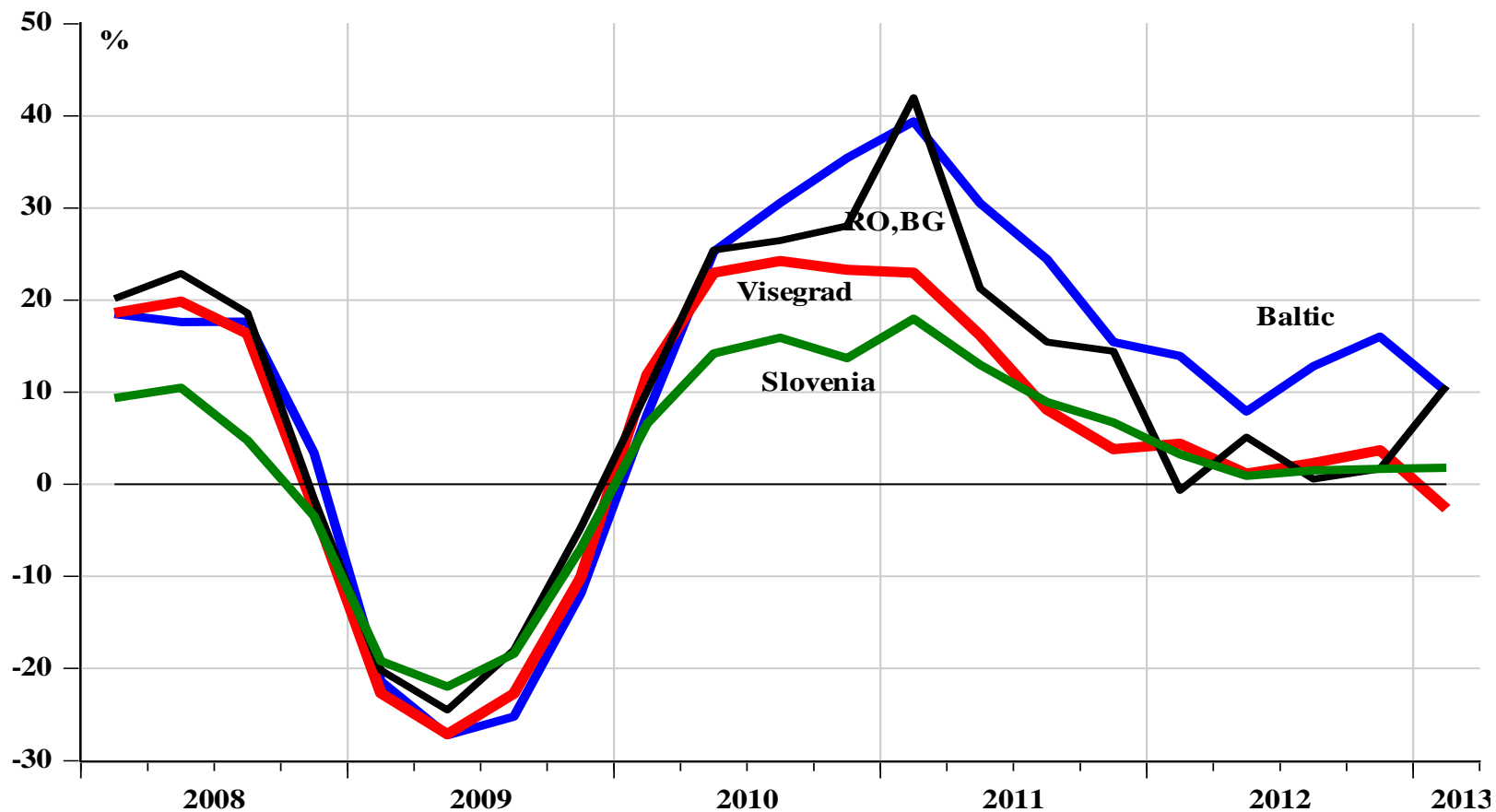


RECOVERY BY EXPORTS

EU27, "SOUTH", NMS



RECOVERY BY EXPORTS – CEE COUNTRIES



THE OUTCOME OF CASINO CAPITALISM IN SLOVENIA

