

ALCANTARA ESCOLANO, Vicent and BLANES CRISTOBAL, J. Vicente

Effects of EU Exports to Central and Eastern European Countries: Methodology and Initial Results

Abstract: This paper presents an initial analysis of the EU's trade relations with Central and Eastern European Countries (CEECs), using corrected shift-share methodology. This model is based on a structures-results approach which breaks down the variations in European sectoral exports to these countries into a series of explanatory factors that provide information for more sophisticated surveys. The results obtained show that the rise in EU exports to the CEECs is due not only to expansion of the import market, but to an actual increase in market share.

Key words: international trade, shift-share analysis, European Union, Central and Eastern European Countries, 1986-1995.

JEL Classification: F14.

GONZALEZ-TORRES DOMINGO, Jaime

Situation in the Ex-Yugoslavian Countries. Opportunities for Spanish Companies

Abstract: The nations now called the «Ex-Yugoslavian countries» are the outcome of the disintegration of the Yugoslavian Federation in 1991. Since then, their political and economic evolution has been extraordinarily complex. The present article describes that evolution, taking the analysis back to the origin of the issues and providing a very complete overview of each of the five countries comprising this area of the Balkans: Yugoslavia (Serbia and Montenegro), Macedonia, Bosnia-Herzegovina, Croatia and Slovenia. It also describes the present state of their bilateral relations with Spain and possible business opportunities for our country.

Key words: economic situation, economic change, political change, bilateral relations, Central and Eastern European Countries, 1991-1999.

JEL Classification: F14, O52, O57.

HERNANDEZ GARCIA, Antonio

Trade Opportunities in the Eastern Balkans: Romania and Bulgaria

Abstract: This article purports to analyse the business opportunities for Spanish companies in Romania and Bulgaria, two countries with certain factors in common that make it possible to draw a joint strategy for commercial penetration. Indeed, these are markets where distribution channels have not yet been consolidated and where, due to their transition to a market economy and other factors (growth potential, future integration in the

European Union, multilateral financial flows, etc.) afford attractive opportunities, not only in the area of trading goods and services, but also for direct investment. Aware of this, the Spanish Government has formulated a plan to support company internationalisation in the area, called the «Expansion Plan». This article analyses the factors defining such a possible business strategy and, briefly, the Government's Plan.

Key words: economic situation, economic change, political change, bilateral relations, Central and Eastern European Countries.

JEL Classification: F14, O52, O57.

LOPEZ-MANTEROLA, Almudena

Community Aid Policy for Central and Eastern European Countries. The Phare Programme and New Pre-Accession Instruments

Abstract: The Phare Programme came about as a Community initiative to support the economic transformation process and reinforce democratic structures in Central and Eastern European countries through the provision of financial support in the form of subsidies. This article analyses the implementation of this programme during its first phase (1990-1997), discussing its application by industries and host countries. The new Phare Programme Application Guidelines for 1998 and 1999 are also described. Finally, the guidelines established for implementing the programme in the period 2000-2006 are discussed, with special reference to Spanish participation.

Key words: economic change, political change, transition to capitalism, Community aid, Phare Programme, Central and Eastern European Countries, EU.

JEL Classification: F02, O19, O52.

LOPEZ MORENO, Luis

Two Challenges for Central Europe: The Culmination of Transition and Preparation for Enlargement

Abstract: In just ten years, the Central and Eastern European countries have had to make substantial changes in their systems to adapt their structures to a market economy and an open and plural society. With huge differences from one country to another and deploying an enormous effort, they are rising to the challenge involved in vaulting in such a short time from a planned to a market economy, creating the institutions and markets characteristic of a modern capitalist economy and restructuring their production systems to trade with the EU and the rest of the world. The present article analyses this processes, focusing on the two challenges facing Eastern Europe at this time, i.e., to culminate transition and to prepare for future integration in the European Union.

Key words: economic change, political change, transition to capitalism, economic integration, foreign trade relations, Central and Eastern European Countries, EU.

JEL Classification: F02, F14, O52.

MENENDEZ BLANCO, Juan Manuel; MONTES BOTELLA, José Luis and MORENO SAEZ, Alfredo

**Economic Growth and Stability in Central and Eastern European Economies:
An Econometric Evaluation**

Abstract: Throughout the nineties, the formerly planned economies in Central and Eastern Europe transformed their economic systems, more or less gradually, to bring them into line with European Union economies with the medium term intention of integration in this area. The present paper analyses the effects of this change in the economic system and the associated reform policies on macroeconomic growth and stability by reviewing the major macroeconomic results for the period. Panel data econometrics are used to define and estimate an economic model able to interpret the factors underlying both the initial collapse of production in the early nineties and the recovery of positive growth rates from mid-decade on.

Key words: economic growth, economic stability, Central and Eastern European Countries, panel model, industrial sector, 1990-1997.

JEL Classification: O41, O52.

MIGUEL Y EGEA, Ramón de

**Political Evolution in Central and Eastern European Countries since the
Collapse of the Berlin Wall**

Abstract: The emblematic collapse of the Berlin Wall in 1989 marked the end of the Communist era for Central and Eastern European countries and the beginning of political and economic change. After more than ten years of change in the area, the absolute priority of Central European countries is full integration in Euroatlantic institutions and, in particular, the European Union. This article reviews the most relevant events of this important period, now on the verge of culmination in the form of a new panorama in European political geography.

Key words: foreign policy, political change, economic change, international agreements, Central and Eastern European Countries, NATO, Spain, EU, 1989-1999.

JEL Classification: F02.

PALAZUELOS MANSO, Enrique

Comparative Analysis of the Process of Economic Change in Central and Eastern European Countries

Abstract: This article presents a comparative overview of the present state of the process of economic transformation in Central and Eastern European countries that began in the early nineties. In this connection, it reviews the characteristic features of output, aggregate demand, the external sector, the population's socio-economic *status quo* and the major components of the institutional change that is taking place in these economies. Finally, a global evaluation is conducted of the achievements and limitations, to date, of a transformation process that is certainly unique and virtually unprecedented, historically speaking.

Key words: economic change, transition to capitalism, Central and Eastern European Countries.

JEL Classification: O52, O57.

TURRION SANCHEZ, Jaime

Spanish Trade with Central and Eastern European Countries: Analysis of Factor Content

Abstract: The present paper analyses the implications that CEECs adherence to the EU may have on Spanish trade. In this study, after a review of trade relations industry by industry, a Heckscher-Ohlin model is run, estimating the factor content of Spanish trade with the CEECs. The results obtained provide evidence that the Spanish economy appears to have a greater abundance of human than physical capital and more of the latter than employment. It is inferred from these results that Spain should reinforce its investment in human and technological capital to maintain its present advantages with respect to these countries.

Key words: international trade, economic integration, adjustment costs, comparative advantage, Heckscher-Ohlin model, Spain, Central and Eastern European Countries.

JEL Classification: F11, F14.

VARA MIRANDA, María Jesús

Output and Foreign Trade in Central and Eastern European Countries after a Decade of Reforms

Abstract: This article studies the transformations in production that have gone hand-in-hand with economic transition in the Central and Eastern European countries (CEECs).

The evolution of production growth in the nineties is described through the variations in output levels in the various industries, changes in distribution by industry and branch and labour market alterations. It also relates the ensuing production structure to trade flows towards Western markets, in particular the European Union, observing the changes in volume, direction and composition of such trade and attempting to identify the grounds on which these countries' export specialisation is based.

Key words: economic change, output, industry, economic growth, production specialisation, foreign trade relations, Central and Eastern European Countries, EU, 1989-1999.

JEL Classification: F14, O14, O52.

VILLA CASADO, Ignacio

The Czech Republic, Ten Years after the Velvet Revolution

Abstract: In November 1989 a process known as the «Velvet Revolution» was initiated in Czechoslovakia, which would culminate in the peaceful withdrawal of the Communist government and the rise to power of the opposition to that regime, personified by the intellectual Václav Havel. Ten years later and after the separation between the Czech Republic and Slovakia was effectively severed in 1993, substantial change has taken place. This article analyses the various stages of economic evolution in the Czech Republic during that period, as well as the prospects that the future expansion of the European Union to this region will bring. The bilateral relations between Spain and the Czech Republic are also addressed.

Key words: economic situation, economic change, political change, bilateral relations, Central and Eastern European Countries, Czech Republic, 1989-1999.

JEL Classification: F14, O52, O57.