Economic Policy in East-Central Europe

Modules:
MA East European Studies: Vertiefungsmodul “Methoden der Wirtschaftsgeschichte und der Ressourcenökonomie”

Time and location: The course is offered in blocks. The sessions take place on

- Thursday, 21.04.2016 from 10.00 to 16.00
- Friday, 22.04.2016 from 8.00 to 12.00
- Thursday, 12.05.2016 from 12.00 to 16.00
- Friday, 13.05.2016 from 8.00 to 12.00
- Tuesday, 07.06.2016 from 12.00 to 16.00
- Wednesday, 08.06.2016 from 10.00 to 16.00

in Ihnestr. 22, Room 22/UG5

This course presents an overview on the post-socialist economic policy of East-Central Europe. We discuss the main periods and characteristics of the economic policy after 1990 with a special focus on the Visegrád-4 countries that is on Poland, Hungary, Slovakia and the Czech Republic. The first part of the course considers the economic policy of the first decade. In the frame of this, we investigate the balance of the transition to market economy and the differences in and critical assessment of the privatization practices of the Visegrád-4 countries. A case study on the transformation and stabilization of Hungary is also provided in order to demonstrate the path-dependence of economic policy.

The second part of the course focuses on the early 2000s with four topics. First, the fall back of Hungary, the front-runner of economic reforms in the 90s, is discussed. After that, the counterpart case of Slovakia is introduced. Slovakia was a laggard member of the Visegrád-4
countries during the first decade of transition, but has become a leader in economic growth in the new millennium. In both cases, the political economic explanations of change/continuity in economic policy are introduced. The third topic is the economic policy of Poland. Finally, we discuss the monetary policy of the Visegrád-4 countries, more specifically the experiences of Hungary and the Czech Republic with the system of inflation targeting.

The final part of the course considers the effect and the aftermath of the global financial crisis of 2008/2009 in East-Central Europe. We discuss the causes of the large fallback of the region and the differences in the crisis management of the Visegrád-4 countries. Special emphasis is set on the much criticized unorthodox economic policy of Hungary.

**Exam:** presentation (30 min.) and seminar paper

**Lectures:** 14 lectures á 90 min.

**Course content:**

1. **The periods of post-socialist economic policy in East-Central Europe**
   (macroeconomic paths, drifting apart – drifting together)

   *Obligatory literature:*

2-3. **The transition of East-Central European countries to market economy: The balance**

   *Obligatory literature:*

   *Recommended literature:*
4. **Transformation and stabilization: The case of Hungary**  
(transformation recession, liberalization, legislative environment, Bokros package)

**Obligatory literature:**

**Recommended literature:**

5. **Privatization in the Visegrád-4 countries**  
(methods and practices, critical assessment)

**Obligatory literature:**

**Recommended literature:**

6. **The falling back of Hungary in the 2000s: The first shall be the last?**  
(growing indebtedness, political economy explanations, the legacy of transition)

**Obligatory literature:**

**Recommended literature:**

7. **The rise of Slovakia in the 2000s: The last shall be the first?**

**Obligatory literature:**

**Recommended literature:**

8. **The economic policy of Poland**

**Obligatory literature:**

**Recommended literature:**

9. **Monetary policy: The experience of Hungary and the Czech Republic with inflation targeting**

**Obligatory literature:**

Obligatory literature:


Recommended literature:


12-14. Hungarian economic policy after 2010: A controversial unorthodoxy?

12. Introducing the facts: policy measures, underlying ideology and macroeconomic performance

13-14. Evaluation: restructuring the pension system, rule-based fiscal policy, restructuring the tax system, expansionary monetary policy, eroding quality of political and economic institutions

Obligatory literature:


Recommended literature:


