



CENTRE FOR CO-OPERATION WITH EUROPEAN ECONOMIES IN TRANSITION
CENTRE POUR LA COOPÉRATION AVEC LES ÉCONOMIES EUROPÉENNES EN TRANSITION

THE TRANSITION TO A MARKET ECONOMY

—

LA TRANSITION VERS UNE ÉCONOMIE DE MARCHÉ

VOLUME II

SPECIAL ISSUES
ASPECTS PARTICULIERS



PARIS 1991

CENTRE FOR CO-OPERATION WITH THE EUROPEAN ECONOMIES IN TRANSITION
CENTRE POUR LA COOPÉRATION AVEC LES ÉCONOMIES EUROPÉENNES EN TRANSITION

THE TRANSITION TO A MARKET ECONOMY

LA TRANSITION VERS UNE ÉCONOMIE DE MARCHÉ

Edited by / Préparé par

PAUL MARER

SALVATORE ZECCHINI

VOLUME II

SPECIAL ISSUES ASPECTS PARTICULIERS

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT
ORGANISATION DE COOPÉRATION ET DE DÉVELOPPEMENT ÉCONOMIQUES

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

Pursuant to Article 1 of the Convention signed in Paris on 14th December 1960, and which came into force on 30th September 1961, the Organisation for Economic Co-operation and Development (OECD) shall promote policies designed:

- to achieve the highest sustainable economic growth and employment and a rising standard of living in Member countries, while maintaining financial stability, and thus to contribute to the development of the world economy;
- to contribute to sound economic expansion in Member as well as non-member countries in the process of economic development; and
- to contribute to the expansion of world trade on a multilateral, non-discriminatory basis in accordance with international obligations.

The original Member countries of the OECD are Austria, Belgium, Canada, Denmark, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The following countries became Members subsequently through accession at the dates indicated hereafter: Japan (28th April 1964), Finland (28th January 1969), Australia (7th June 1971) and New Zealand (29th May 1973). The Commission of the European Communities takes part in the work of the OECD (Article 13 of the OECD Convention). Yugoslavia has a special status at the OECD (agreement of 28th October 1961).

The Czech and Slovak Federal Republic, Hungary and Poland participate in the OECD Programme "Partners in Transition", which is managed by the OECD's Centre for Co-operation with European Economies in Transition.



"THE PUBLICATION OF THESE PAPERS WAS AUTHORISED BY THE SECRETARY-GENERAL OF THE OECD. THE VIEWS EXPRESSED IN THEM ARE THE SOLE RESPONSIBILITY OF THEIR AUTHORS AND DO NOT NECESSARILY REFLECT THOSE OF THE OECD. THE OTHER INSTITUTIONS MENTIONED IN THIS PUBLICATION, THE GOVERNMENTS OF THEIR MEMBER COUNTRIES, OR OTHER GOVERNMENTS MENTIONED."

© OECD 1991, on the compilation and on OECD papers herein. For other papers individually, all rights reserved by non-OECD authors or their organisations.

Applications for permission to reproduce or translate all or part of this publication should be made to:

Head of Publications Service, OECD
2, rue André-Pascal, 75775 PARIS CEDEX 16, France

ORGANISATION DE COOPÉRATION ET DE DÉVELOPPEMENT ÉCONOMIQUES

En vertu de l'article 1er de la Convention signée le 14 décembre 1960, à Paris, et entrée en vigueur le 30 septembre 1961, l'Organisation de Coopération et de Développement Economiques (OCDE) a pour objectif de promouvoir des politiques visant :

- à réaliser la plus forte expansion de l'économie et de l'emploi et une progression du niveau de vie dans les pays Membres, tout en maintenant la stabilité financière, et à contribuer ainsi au développement de l'économie mondiale ;
- à contribuer à une saine expansion économique dans les pays Membres, ainsi que les pays non membres, en voie de développement économique ;
- à contribuer à l'expansion du commerce mondial sur une base multilatérale et non discriminatoire conformément aux obligations internationales.

Les pays Membres originaires de l'OCDE sont : l'Allemagne, l'Autriche, la Belgique, le Canada, le Danemark, l'Espagne, les Etats-Unis, la France, la Grèce, l'Irlande, l'Islande, l'Italie, le Luxembourg, la Norvège, les Pays-Bas, le Portugal, le Royaume-Uni, la Suède, la Suisse et la Turquie. Les pays suivants sont ultérieurement devenus Membres par adhésion aux dates indiquées ci-après : le Japon (28 avril 1964), la Finlande (28 janvier 1969), l'Australie (7 juin 1971) et la Nouvelle-Zélande (29 mai 1973). La Commission des Communautés européennes participe aux travaux de l'OCDE (article 13 de la Convention de l'OCDE). La Yougoslavie a un statut spécial à l'OCDE (accord du 28 octobre 1961).

La Hongrie, la Pologne et la République fédérative tchèque et slovaque participent au programme de l'OCDE "Partenaires pour la transition", effectué sous l'égide du Centre de l'OCDE pour la Coopération avec les Economies Européennes en transition.



"LA PUBLICATION DE CES TEXTES A ÉTÉ AUTORISÉE PAR LE SECRÉTAIRE GÉNÉRAL DE L'OCDE. LES OPINIONS EXPRIMÉES ICI N'ENGAGENT QUE LEURS AUTEURS ET NE REFLETTENT PAS NÉCESSAIREMENT CELLES DE L'OCDE, DES AUTRES INSTITUTIONS MENTIONNÉES DANS CETTE PUBLICATION, DES GOUVERNEMENTS DE LEURS PAYS MEMBRES OU DES AUTRES GOUVERNEMENTS CITÉS."

© OCDE 1991, sur ce recueil et sur les contributions de l'OCDE qu'il renferme. Pour les autres articles, tous droits réservés par les auteurs ou leurs organisations.

Les demandes de reproduction ou de traduction totales ou partielles de cette publication doivent être adressées à :
M. le Chef du Service des Publications, OCDE
2, rue André-Pascal, 75775 PARIS CEDEX 16, France.

Volume II

SPECIAL ISSUES

Contents

Tables	5
Diagrams	7
Chapter VII. CREATING MARKET INSTITUTIONS AND COMPETITION	
7.1. Introduction / Introduction	9
<i>The Editors / Les Editeurs</i>	
7.2. Privatisation	13
<i>Farid Dhanji and Branko Milanovic</i>	
7.3. Developing Competitive Markets	44
<i>Hans Blommestein and Michael Marrese</i>	
7.4. Summary of the Discussion	63
<i>Ulrich Thumm</i>	
Chapter VIII. RESTRUCTURING ENTERPRISES	
8.1. Introduction / Introduction	65
<i>The Editors / Les Editeurs</i>	
8.2. Industrial Restructuring: World Bank Policy and Country Experiences	70
<i>Ira Lieberman</i>	
8.3. Enterprise Reform and Restructuring	101
<i>Anil Sood</i>	
8.4. Summary of the Discussion	112
<i>Amnon Golan</i>	
Chapter IX. THE LABOUR MARKET AND INDUSTRIAL RELATIONS	
9.1. Introduction / Introduction	115
<i>The Editors / Les Editeurs</i>	
9.2. Industrial Relations	118
<i>International Labour Office</i>	
9.3. Summary of the Discussion	148
<i>Peter Scherer</i>	
Chapter X. THE SOCIAL SAFETY NET	
10.1. Introduction / Introduction	151
<i>The Editors / Les Editeurs</i>	

10.2.	Safety Nets in Transition Economies: Concepts, Recent Developments, Recommendations <i>Robert Holzmann</i>	155
10.3.	Summary of the Discussion <i>Julian Schweitzer</i>	180
<i>Chapter XI. MACROECONOMIC STABILIZATION</i>		
11.1.	Introduction / Introduction <i>The Editors / Les Editeurs</i>	181
11.2.	A Comparative Analysis of the Polish and Yugoslav Programmes <i>Fabrizio Coricelli and Roberto de Rezende Rocha</i>	189
11.3.	Summary of the Discussion <i>Jean-Pierre Tuveri</i>	244
<i>Chapter XII. FOREIGN ECONOMIC LIBERALISATION AND EXTERNAL FINANCE</i>		
12.1.	Introduction / Introduction <i>The Editors / Les Editeurs</i>	249
12.2.	Convertibility <i>John Williamson</i>	252
12.3.	Trade Liberalisation <i>Oleh Havrylyshyn and David Tarr</i>	265
12.4.	External Debt and Expected Net Flows <i>Ishrat Husain and Ishac Diwan</i>	296
12.5.	Summary of the Discussion <i>Val Koromzay</i>	309
<i>Chapter XIII. FISCAL REFORM</i>		
13.1.	Introduction / Introduction <i>The Editors / Les Editeurs</i>	313
13.2.	Financing Public Expenditure: The Role of Tax Reform and the Designing of Tax Systems <i>Jeffrey Owens</i>	317
13.3.	Fiscal Reform in European Economies in Transition <i>George Kopits</i>	359
13.4.	Summary of the Discussion <i>Kenneth Messere</i>	389
<i>Chapter XIV. FINANCIAL INTERMEDIATION</i>		
14.1.	Introduction / Introduction <i>The Editors / Les Editeurs</i>	393
14.2.	Diversification and Deregulation in Banking in the OECD Countries <i>Günther Broker and Jan Schuijter</i>	398
14.3.	Financial Reform in the European Economies in Transition <i>Millard Long and Silvia Sagari</i>	430
14.4.	Monetary Overhang, Non-Performing Loans and Fiscal Pressures <i>Guillermo Calvo and Jacob Frenkel</i>	443
14.5.	Summary of the Discussion <i>Alan Gelb</i>	456
<i>GLOSSARY OF TERMS</i> 459		

Tables

<i>Chapter VII. CREATING MARKET INSTITUTIONS AND COMPETITION</i>	
3. Target groups of new owners under alternative types of privatisation	26
4. Assessing the impact of policy and institutional changes on competitive markets in OECD countries	47
5. Assessing market-building strategies in Hungary, Poland and the Czech and Slovak Federal Republic	54
<i>Chapter X. THE SOCIAL SAFETY NET</i>	
6. General government, social security and budgetary subsidies expenditure in four European countries in transition, 1981-1990	160
7. Rate of registered unemployment in four transition economies in 1990	163
8. Budgetary expenditures on unemployment benefits in four economies in transition, 1988-1991	164
9. Poland: Budget of the Labour Fund, 1990	174
<i>Chapter XI. MACROECONOMIC STABILIZATION</i>	
10. Initial conditions in Poland and Yugoslavia	193
11. Total fiscal revenues in Poland and Yugoslavia, 1985-1989	193
12. Summarised description of the Polish and Yugoslav Programmes	197
13. First results of the Polish and Yugoslav Programmes of 1990	205
14. Poland: Inflation in the 1980s	215
15. Poland: Monetary indicators	215
16. Poland: Monetary survey - December 1989-September 1990	225
17. Poland: Foreign currency deposits	225
18. Enterprise losses	227
19. Monthly variations of retail prices, December 1989-February 1991	234
20. Balance sheet of NBY, December 1989-December 1990	238
21. Monetary survey, December 1989-December 1990	238
<i>Chapter XII. FOREIGN ECONOMIC LIBERALISATION AND EXTERNAL FINANCE</i>	
22. Composition and direction of exports by selected CMEA countries	266
23. Labour force composition	279
24. Aggregate net resource flows (long term to developing countries)	298
25. Estimated costs of external shocks in Eastern Europe: 1990-92	303
26. Expected flows to Eastern Europe: 1990-92	308

Chapter XIII. FISCAL REFORM

27. Personal income tax changes and proposals since 1986 relating to base and rate schedule	332
28. Corporate income tax changes and proposals since 1986 relating to base and rate schedule	333
29. Total tax revenue as percentage of GDP	337
30. Tax structures 1980 and 1988	338
31. Top and first positive rates of the central government	341
32. Number of brackets of the central government	342
33. Major changes in personal income tax reliefs since 1986	343
34. Income tax and social security contributions paid by an average production worker as a percentage of gross earnings	347
35. Major structural changes in personal income tax systems since 1986	348
36. Changes in rate structure of corporate income tax of central government	350
37. Tax depreciation systems in 1989	351
38. General investment reliefs in 1990	352
39. Systems of central government corporate taxation in Member countries (1st January 1990)	353
40. VAT rates in OECD Member countries	356
41. Selected European countries: Summary of general government operations, 1985	374
42. Selected European countries: Summary of general government operations, 1989	375

Chapter XIV. FINANCIAL INTERMEDIATION

43. Types of financial regulation	404
44. Recent regulatory developments affecting the specialisation of banks	413

Diagrams

Chapter XI. MACROECONOMIC STABILIZATION

3. Poland and Yugoslavia: Inflation (1980-1990)	191
4. Poland and Yugoslavia: Black market currency premiums	194
5. Poland and Yugoslavia: Real effective exchange rate indices	195
6. Poland and Yugoslavia: Monthly price changes	199
7. Poland and Yugoslavia: Industrial production indices	200
8. Convertible currency area	201
9. Poland and Yugoslavia: Real M1 indices	202
10. Poland and Yugoslavia: Real wage indices	204
11. Yugoslavia credits and M1	206
12. Poland: GDP, inflation rate, exports and imports, current account	214
13. Selected macroeconomic variables for Yugoslavia, 1977-89	228
14. Yugoslavia: Real exchange rate and real wages	231
15. Yugoslavia: Monthly inflation and the real wage, 1987-89	232
16. Yugoslavia: Real M2, FX deposits and M3	232
17. Yugoslavia: Prices, exchange rate, wages and base money, 1989-91	235
18. Yugoslavia: Output, real tax revenues and the trade balance	236
19. Yugoslavia: Dinar credits and M1, 1989-90	239

Chapter XII. FOREIGN ECONOMIC LIBERALISATION AND EXTERNAL FINANCE

20. Illustrating the cost of moving to free trade	257
21. Direction of exports	267
22. Direction of trade by commodity group	268
23. Developments in the share of the major revenue sources as percentage of tax receipts	339
24. European transition economies and the European Community: Structure of general government revenue, 1985 and 1989	376
25. European transition economies and the European Community: Structure of general government expenditure, 1985 and 1989	377

ORGANISATION DE COOPÉRATION ET DE DÉVELOPPEMENT ÉCONOMIQUES

En vertu de l'article 1er de la Convention signée le 14 décembre 1960, à Paris, et entrée en vigueur le 30 septembre 1961, l'Organisation de Coopération et de Développement Economiques (OCDE) a pour objectif de promouvoir des politiques visant :

- à réaliser la plus forte expansion de l'économie et de l'emploi et une progression du niveau de vie dans les pays Membres, tout en maintenant la stabilité financière, et à contribuer ainsi au développement de l'économie mondiale ;
- à contribuer à une saine expansion économique dans les pays Membres, ainsi que les pays non membres, en voie de développement économique ;
- à contribuer à l'expansion du commerce mondial sur une base multilatérale et non discriminatoire conformément aux obligations internationales.

Les pays Membres originaires de l'OCDE sont : l'Allemagne, l'Autriche, la Belgique, le Canada, le Danemark, l'Espagne, les Etats-Unis, la France, la Grèce, l'Irlande, l'Islande, l'Italie, le Luxembourg, la Norvège, les Pays-Bas, le Portugal, le Royaume-Uni, la Suède, la Suisse et la Turquie. Les pays suivants sont ultérieurement devenus Membres par adhésion aux dates indiquées ci-après : le Japon (28 avril 1964), la Finlande (28 janvier 1969), l'Australie (7 juin 1971) et la Nouvelle-Zélande (29 mai 1973). La Commission des Communautés européennes participe aux travaux de l'OCDE (article 13 de la Convention de l'OCDE). La Yougoslavie a un statut spécial à l'OCDE (accord du 28 octobre 1961).

La Hongrie, la Pologne et la République fédérative tchèque et slovaque participent au programme de l'OCDE "Partenaires pour la transition", effectué sous l'égide du Centre de l'OCDE pour la Coopération avec les Economies Européennes en transition.



"LA PUBLICATION DE CES TEXTES A ÉTÉ AUTORISÉE PAR LE SECRÉTAIRE GÉNÉRAL DE L'OCDE. LES OPINIONS EXPRIMÉES ICI N'ENGAGENT QUE LEURS AUTEURS ET NE REFLETTENT PAS NÉCESSAIREMENT CELLES DE L'OCDE, DES AUTRES INSTITUTIONS MENTIONNÉES DANS CETTE PUBLICATION, DES GOUVERNEMENTS DE LEURS PAYS MEMBRES OU DES AUTRES GOUVERNEMENTS CITÉS."

© OCDE 1991, sur ce recueil et sur les contributions de l'OCDE qu'il renferme. Pour les autres articles, tous droits réservés par les auteurs ou leurs organisations.

Les demandes de reproduction ou de traduction totales ou partielles de cette publication doivent être adressées à :

M. le Chef du Service des Publications, OCDE
2, rue André-Pascal, 75775 PARIS CEDEX 16, France.

Volume II

SPECIAL ISSUES

Contents

Tables	5
Diagrams	7
Chapter VII. CREATING MARKET INSTITUTIONS AND COMPETITION	
7.1. Introduction / Introduction	9
<i>The Editors / Les Editeurs</i>	
7.2. Privatisation	13
<i>Farid Dhanji and Branko Milanovic</i>	
7.3. Developing Competitive Markets	44
<i>Hans Blommestein and Michael Marrese</i>	
7.4. Summary of the Discussion	63
<i>Ulrich Thumm</i>	
Chapter VIII. RESTRUCTURING ENTERPRISES	
8.1. Introduction / Introduction	65
<i>The Editors / Les Editeurs</i>	
8.2. Industrial Restructuring: World Bank Policy and Country Experiences	70
<i>Ira Lieberman</i>	
8.3. Enterprise Reform and Restructuring	101
<i>Anil Sood</i>	
8.4. Summary of the Discussion	112
<i>Amnon Golan</i>	
Chapter IX. THE LABOUR MARKET AND INDUSTRIAL RELATIONS	
9.1. Introduction / Introduction	115
<i>The Editors / Les Editeurs</i>	
9.2. Industrial Relations	118
<i>International Labour Office</i>	
9.3. Summary of the Discussion	148
<i>Peter Scherer</i>	
Chapter X. THE SOCIAL SAFETY NET	
10.1. Introduction / Introduction	151
<i>The Editors / Les Editeurs</i>	

10.2. Safety Nets in Transition Economies: Concepts, Recent Developments, Recommendations	155
<i>Robert Holzmann</i>	
10.3. Summary of the Discussion	180
<i>Julian Schweitzer</i>	
Chapter XI. MACROECONOMIC STABILIZATION	
11.1. Introduction / Introduction	181
<i>The Editors / Les Editeurs</i>	
11.2. A Comparative Analysis of the Polish and Yugoslav Programmes	189
<i>Fabrizio Coricelli and Roberto de Rezende Rocha</i>	
11.3. Summary of the Discussion	244
<i>Jean-Pierre Tuveri</i>	
Chapter XII. FOREIGN ECONOMIC LIBERALISATION AND EXTERNAL FINANCE	
12.1. Introduction / Introduction	249
<i>The Editors / Les Editeurs</i>	
12.2. Convertibility	252
<i>John Williamson</i>	
12.3. Trade Liberalisation	265
<i>Oleh Havrylyshyn and David Tarr</i>	
12.4. External Debt and Expected Net Flows	296
<i>Ishrat Husain and Ishac Diwan</i>	
12.5. Summary of the Discussion	309
<i>Val Koromzay</i>	
Chapter XIII. FISCAL REFORM	
13.1. Introduction / Introduction	313
<i>The Editors / Les Editeurs</i>	
13.2. Financing Public Expenditure: The Role of Tax Reform and the Designing of Tax Systems	317
<i>Jeffrey Owens</i>	
13.3. Fiscal Reform in European Economies in Transition	359
<i>George Kopits</i>	
13.4. Summary of the Discussion	389
<i>Kenneth Messere</i>	
Chapter XIV. FINANCIAL INTERMEDIATION	
14.1. Introduction / Introduction	393
<i>The Editors / Les Editeurs</i>	
14.2. Diversification and Deregulation in Banking in the OECD Countries	398
<i>Günther Broker and Jan Schuijter</i>	
14.3. Financial Reform in the European Economies in Transition	430
<i>Millard Long and Silvia Sagari</i>	
14.4. Monetary Overhang, Non-Performing Loans and Fiscal Pressures	443
<i>Guillermo Calvo and Jacob Frenkel</i>	
14.5. Summary of the Discussion	456
<i>Alan Gelb</i>	
GLOSSARY OF TERMS	459

Tables

<i>Chapter VII. CREATING MARKET INSTITUTIONS AND COMPETITION</i>	
3. Target groups of new owners under alternative types of privatisation	26
4. Assessing the impact of policy and institutional changes on competitive markets in OECD countries	47
5. Assessing market-building strategies in Hungary, Poland and the Czech and Slovak Federal Republic	54
<i>Chapter X. THE SOCIAL SAFETY NET</i>	
6. General government, social security and budgetary subsidies expenditure in four European countries in transition, 1981-1990	160
7. Rate of registered unemployment in four transition economies in 1990	163
8. Budgetary expenditures on unemployment benefits in four economies in transition, 1988-1991	164
9. Poland: Budget of the Labour Fund, 1990	174
<i>Chapter XI. MACROECONOMIC STABILIZATION</i>	
10. Initial conditions in Poland and Yugoslavia	193
11. Total fiscal revenues in Poland and Yugoslavia, 1985-1989	193
12. Summarised description of the Polish and Yugoslav Programmes	197
13. First results of the Polish and Yugoslav Programmes of 1990	205
14. Poland: Inflation in the 1980s	215
15. Poland: Monetary indicators	215
16. Poland: Monetary survey - December 1989-September 1990	225
17. Poland: Foreign currency deposits	225
18. Enterprise losses	227
19. Monthly variations of retail prices, December 1989-February 1991	234
20. Balance sheet of NBY, December 1989-December 1990	238
21. Monetary survey, December 1989-December 1990	238
<i>Chapter XII. FOREIGN ECONOMIC LIBERALISATION AND EXTERNAL FINANCE</i>	
22. Composition and direction of exports by selected CMEA countries	266
23. Labour force composition	279
24. Aggregate net resource flows (long term to developing countries)	298
25. Estimated costs of external shocks in Eastern Europe: 1990-92	303
26. Expected flows to Eastern Europe: 1990-92	308

Chapter XIII. FISCAL REFORM

27. Personal income tax changes and proposals since 1986 relating to base and rate schedule	332
28. Corporate income tax changes and proposals since 1986 relating to base and rate schedule	333
29. Total tax revenue as percentage of GDP	337
30. Tax structures 1980 and 1988	338
31. Top and first positive rates of the central government	341
32. Number of brackets of the central government	342
33. Major changes in personal income tax reliefs since 1986	343
34. Income tax and social security contributions paid by an average production worker as a percentage of gross earnings	347
35. Major structural changes in personal income tax systems since 1986	348
36. Changes in rate structure of corporate income tax of central government	350
37. Tax depreciation systems in 1989	351
38. General investment reliefs in 1990	352
39. Systems of central government corporate taxation in Member countries (1st January 1990)	353
40. VAT rates in OECD Member countries	356
41. Selected European countries: Summary of general government operations, 1985	374
42. Selected European countries: Summary of general government operations, 1989	375

Chapter XIV. FINANCIAL INTERMEDIATION

43. Types of financial regulation	404
44. Recent regulatory developments affecting the specialisation of banks	413

Diagrams

<i>Chapter XI. MACROECONOMIC STABILIZATION</i>	
3. Poland and Yugoslavia: Inflation (1980-1990)	191
4. Poland and Yugoslavia: Black market currency premiums	194
5. Poland and Yugoslavia: Real effective exchange rate indices	195
6. Poland and Yugoslavia: Monthly price changes	199
7. Poland and Yugoslavia: Industrial production indices	200
8. Convertible currency area	201
9. Poland and Yugoslavia: Real M1 indices	202
10. Poland and Yugoslavia: Real wage indices	204
11. Yugoslavia credits and M1	206
12. Poland: GDP, inflation rate, exports and imports, current account	214
13. Selected macroeconomic variables for Yugoslavia, 1977-89	228
14. Yugoslavia: Real exchange rate and real wages	231
15. Yugoslavia: Monthly inflation and the real wage, 1987-89	232
16. Yugoslavia: Real M2, FX deposits and M3	232
17. Yugoslavia: Prices, exchange rate, wages and base money, 1989-91	235
18. Yugoslavia: Output, real tax revenues and the trade balance	236
19. Yugoslavia: Dinar credits and M1, 1989-90	239
<i>Chapter XII. FOREIGN ECONOMIC LIBERALISATION AND EXTERNAL FINANCE</i>	
20. Illustrating the cost of moving to free trade	257
21. Direction of exports	267
22. Direction of trade by commodity group	268
23. Developments in the share of the major revenue sources as percentage of tax receipts	339
24. European transition economies and the European Community: Structure of general government revenue, 1985 and 1989	376
25. European transition economies and the European Community: Structure of general government expenditure, 1985 and 1989	377

