

**wiiw**  
**SPRING SEMINAR**  
**1998**

**Financial Markets,  
External Balances and  
Economic Trends  
in Transition Countries**

**Friday, 27 March 1998, 9:00 a.m.**

hosted by

**Wiener Börse AG (VEX)**

to take place at

**Vienna Stock Exchange Building  
1010 Vienna, Wipplingerstraße 34**

The Vienna Institute for International Economic Studies  
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**9:00 Welcome address**

Christian Imo, Member of the Executive Board  
Wiener Börse AG (VEX)

**Overview and Outlook for the Region**

The role of investment and productivity in sustained GDP growth \* external deficits lower than feared \* likelihood of Asian-type crises \* stability, not growth will be a priority in 1998 and 1999

**Discussion**

**L. Podkaminer**

**Financial Markets in Central and Eastern Europe**

Overview: structure, growth, instruments \* factors influencing development: privatization, budget deficits, regulation \* forex markets and capital markets \* susceptibility to contagion (e.g., Asian flu) \* prospects for liberalization

**Discussion**

**Vladimir Gligorov**

**10:30 Coffee break**

**11:00 Emerging Bond Markets in Central and Eastern Europe**

Overview of market developments \* issuers: governments and corporates \* domestic (local currency) issues \* Eurobonds \* ratings and spreads

**Discussion**

**J. Brzezinski\***  
(guest speaker)

**Czech Stagnation: Causes and Prospects**

Structural weaknesses \* privatization results mixed \* diverging performance of companies and industries \* banking, bad loans, bankruptcies \* monetary and fiscal policies \* rising unemployment \* inflation and growth prospects

**Discussion**

**J. Pöschl**

**Russia: The Endless Wait for Recovery**

Stagnating economy a 'success' \* underlying supply and demand factors \* price and exchange rate stability \* bleak outlook for state finances \* lessons from Asian turmoil: more caution \* period of decline followed by period of stagnation?

**Discussion**

**P. Havlik**

**13:00 Buffet luncheon by invitation of Wiener Börse AG (VEX)**

**14:00 Hungary: Preconditions for Sustainable Growth**

The dangers of a 'two-tier' economy \* export-driven growth keeps current account under control \* diminishing inflation: slow but steady progress expected \* the trap of political business cycles

**Discussion**

**S. Richter**

**The Emerging Map of European Production Networks**

Cost differentiation and industrial specialization in Europe \* unit labour costs and productivity levels \* intra- versus inter-industrial trade \* relative factor intensities \* skill gaps and skill potentials \* East-West European corporate integration

**Discussion**

**M. Landesmann**

**Successful CEEC Industries**

Winners and losers among CEEC industries \* sophisticated engineering branches the major winners in most countries \* exports as engine of growth \* the role of FDI in restructuring

**Discussion**

**W. Urban**

**16:30 End of Seminar**

**18:00 Informal gathering at a Viennese 'Heurigen'**

to continue the discussions and give us all a chance to get better acquainted. Urbani-Keller, Am Hof 12, 1010 Vienna

\* Jacek Brzezinski is Member of the Managing Board, CA Global Futures AG.