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Contents

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Hungarian agriculture – starting the fifth year within the European Union

BY MÁRTON SZABÓ*

At first glance, everything is going well within the Hungarian food sector: farmers' incomes have increased considerably in recent years, exports reached record peaks, output prices are booming and investments are surging. Under the surface, however, there are tensions and the prospects for several subsectors are rather gloomy.

Background: long-term trends in Hungarian agriculture

As in most transition countries, the share of agriculture in the Hungarian economy shrank markedly from 1990 to 2006, from 12.5% to 4.3% of GDP; its share in employment fell from 14.2% to 4.9%; and in total export revenues from 24.8% to 6.3%. This relative decline was partly due to the dynamic development of other sectors, but also to the reduction of agricultural output. Gross agricultural production in 2007 (a year with an extremely poor harvest) was 31% lower than in 1989. Animal farming has been just struggling, being at a mere 58% of its pre-transition level (Figure 1).

It is a major concern that the production structure is becoming oversimplified, dominated by cereal and

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Figure 1

Gross agricultural production, 2000-2007 (2000 = 100)

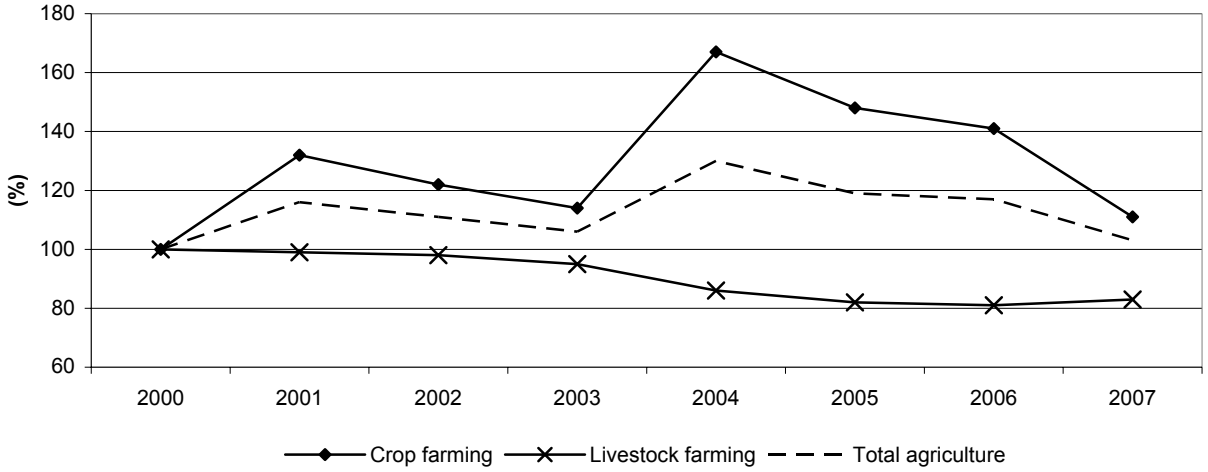


Figure 2

Agricultural exports and imports, 2000-2007

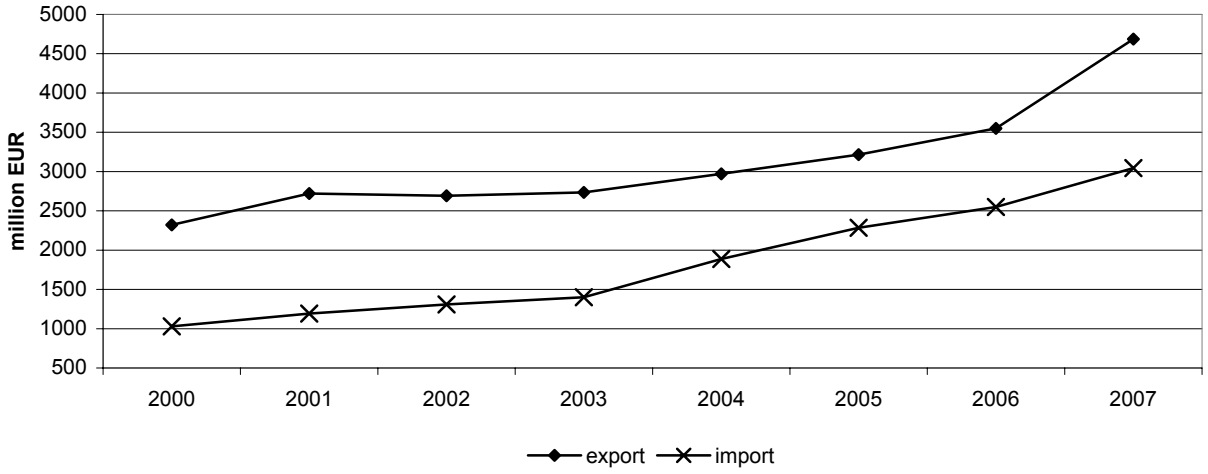
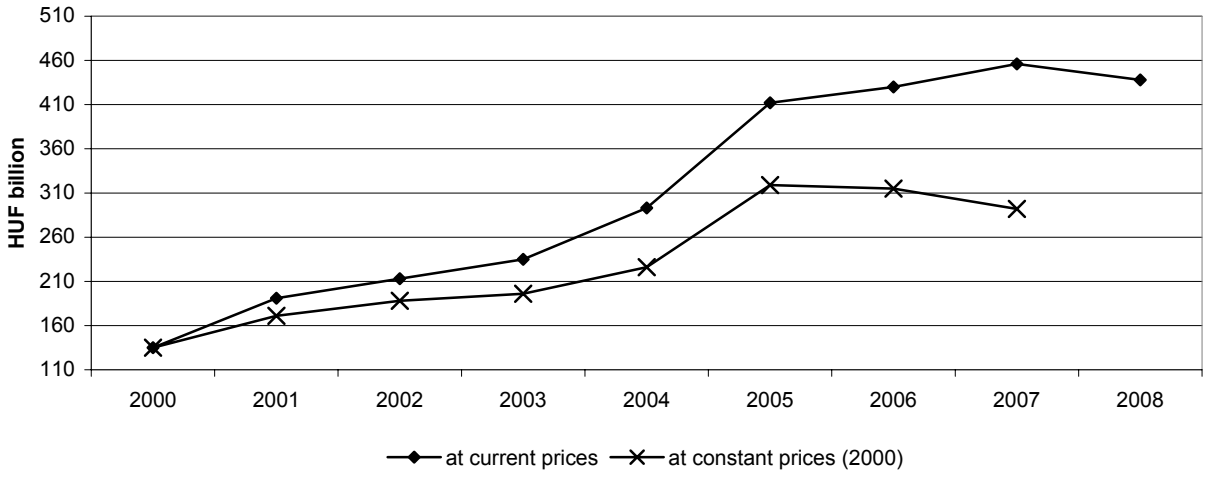


Figure 3

Agricultural subsidies, 2000-2007 (HUF billion)



oilseed farming. Hungary has competitive advantages in these extensive cultures but this trend brings severe consequences for rural employment.

In recent years output of the major agricultural products has stagnated (poultry, sunflower seed) or even declined (sugar beet, potatoes, pigs, eggs, milk). The production of wheat, maize, fruits, grapes and vegetables has been fluctuating but followed a downward rather than upward trend.

Until late 2006 the Hungarian food market expanded dynamically and provided good opportunities for domestic producers and processors. But farmers and food companies from other EU member states have been much more successful in increasing their sales and gaining market shares in Hungary.

Between 2003 and 2007, the highest export revenue increases were recorded by the following products (most of them commodities and raw materials): maize (EUR 664 million extra revenue), wheat (165 million), rapeseed (105 million), animal fodder and pet food (74 million), sugar (71 million) and raw milk (68 million).

By contrast, imports increased primarily in the case of high value-added, processed foods: cheeses (EUR 93 million), cigarettes (92 million), live pigs (88 million), chocolates (86 million), pork (74 million), food preparations (69 million), non-alcoholic beverages (68 million) as well as bread and bakery products (66 million).

Agricultural subsidies almost doubled even in real terms between 2000 and 2005 (Figure 3). Support schemes have helped to increase the profitability of farming but, at the same time, to conceal structural problems as well.

Already in the pre-accession years, subsidies reached a high level even in an international comparison. Until 2001 percentage PSE coefficients had remained well below the average of OECD member countries, but by 2002-2003 they reached that level, and in 2002 even the level of the EU-15.

Profits from farming have increased year by year: a total sector loss of HUF 41 billion (about EUR 165 million) in 2003 turned into a total sector profit of HUF 147 billion (some EUR 590 million) by 2006. This improvement, however, is entirely due to increases in subsidies (Figure 4).

Agricultural investments peaked in 2003, making use of the last opportunities provided by national development programmes prior to accession; thereafter they declined. Their level has become heavily dependent on EU support schemes which have brought cycles into investment activities. The technical gap against the old member states has even deepened since accession because investments have declined; in 2007 they amounted to a mere 62% of their level in 2003 (Figure 5).

EU accession: expectations and forecasts

Based on natural and climatic endowments, traditions and knowledge, a partly large-scale farm structure and the past export performance – Hungary being the only country from Central and Eastern Europe running a constantly positive food trade balance with the EU-15 – Hungarian agriculture had been expected to be a potential winner of EU membership.

Sub-sectoral *ex-ante* impact assessments had foreseen arable farming emerging as the main winner from EU accession due to high area-based payments, intervention purchases and EU protectionism. Candidates for products to benefit most were cereals (mainly wheat and maize), sunflower seed and sugar beet. Some fruits and vegetables such as sour cherries, plums, watermelons and green peppers were also expected to benefit from easier access to European markets.

The potential losers emerging from these analyses were other types of fruits and vegetables which were to face strong competition within the Union,

Figure 4

Pre-tax profits in agriculture, 2003-2006

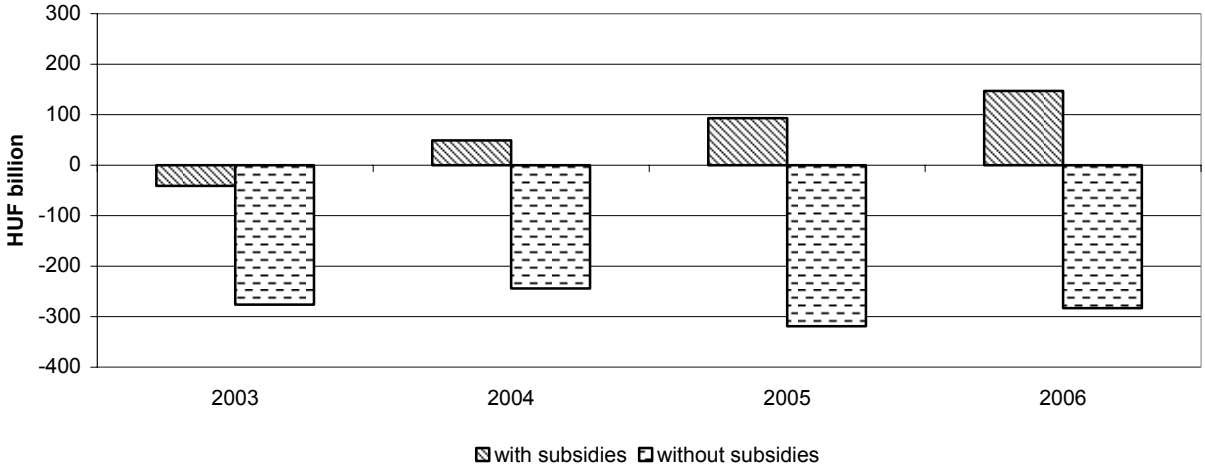
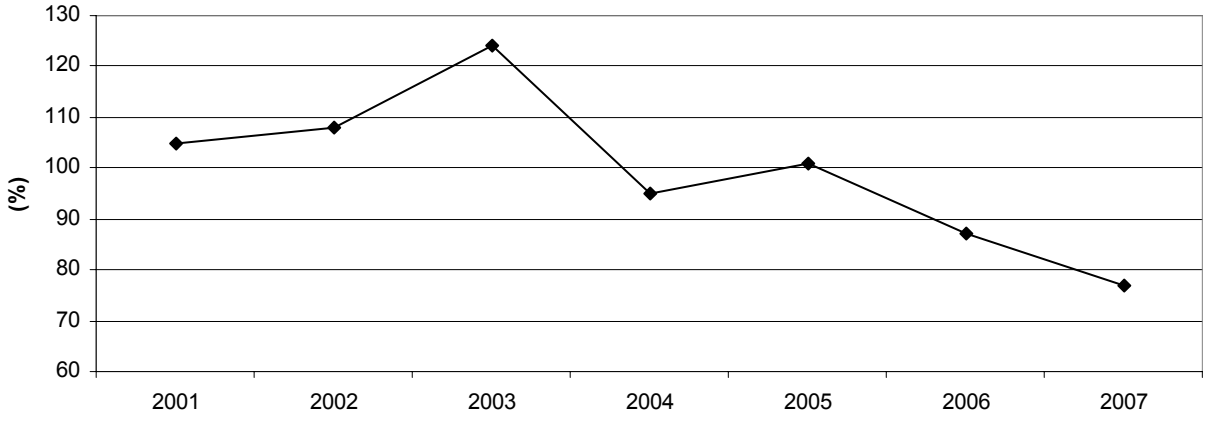


Figure 5

Agricultural investments, 2000-2007 (volume indices, 2000 = 100)



such as potatoes, onions, cucumbers and peaches, as well as almost the whole of livestock farming, and especially milk, poultry and pigs. For animal products, the reasons for the bleak prospects included farm management weaknesses (feeding patterns etc.) and partly small-scale farm structures. Increases in both agricultural exports and imports had been foreseen, with a growing export surplus.

Pre-accession support policies: a government failure

EU accession scenarios led to the usual conclusion that a structural adjustment was inevitable. Agricultural policies have, however, not only failed to promote adjustment; the support schemes, maintained practically until May 2004, protected inefficient dairy, pig and poultry farmers and processors. Subsidies to these farmers sent false signals and prevented them from adapting to the conditions that were to come along with accession. Hungarian producer subsidies for milk, poultry and pigs were not only much higher than in Poland but even significantly higher than in the EU-15, as reflected in the PSE coefficients.

By applying high subsidies, the Hungarian government practically insulated these subsectors from international and EU markets and, as a matter of fact, increased the shock of accession.

These government policies can be considered a failure: instead of solving old problems, they created

new troubles. Uncompetitive subsectors received most of the subsidies to help their survival in the short run while potentially competitive commodities received less than necessary support. Cereal farmers had to start in the EU without sufficient store capacities, including those for intervention purchases, and fruit and vegetable farmers without efficient producer organizations (which are, anyway, a precondition of access to CAP subsidies in the subsector), sufficient irrigation and greenhouse facilities. As in livestock farming, subsidies within the fruit and vegetable subsector were used to help uncompetitive sweet corn, cucumber, onion and tomato producers and processors.

Table 1

PSE coefficients for livestock products in the EU-15, Poland and Hungary (2002, %)

	EU-15	*Poland*	*Hungary*
milk	45	33	57
poultry	38	17	52
pigs	21	8	46

Source: Agricultural policies in OECD countries, OECD, Paris, 2003.

The first years within the European Union

The share of Hungarian food producers and processors in the domestic market fell from an estimated 90% in the pre-accession years to 75% by 2007. Food imports boomed – not only from the EU-15 but even more so from the new member states. The traditional Hungarian food export surplus against Poland, the Czech Republic and Slovakia turned into a deficit. And even where Hungarian exports expanded, this growth was vulnerable and fragile: the production of cereals and sugar are highly dependent on CAP rules such as intervention purchases, subsidies and their possible changes. Production was oriented towards intervention purchases rather than on market demand.

Imports increased primarily in the case of livestock, meat and dairy products, reflecting the weak competitiveness of Hungarian production. Import of beverages (e.g. beer), having been protected by high customs tariffs prior to accession, soared similarly.

With access to EU funds, agricultural incomes should have risen immediately; however, delays in institution building (establishment of the paying agency and the cereals intervention system) did not allow farmers to get access to all subsidies. This resulted in a liquidity crisis by late 2004 and led to farmer demonstrations in early 2005 which ended in an agreement between farmer organizations and the government. The main reason for the crisis was poor budget planning: the government had elaborated no plans to bridge the financial gap created by the switch to the CAP system which requires pre-financing from beneficiaries.

In sum, the negative forecasts have come true while the positive expectations have not materialized. Hungarian farmers had expected higher incomes, stable prices and expanding markets after accession; instead, they had to face increased uncertainty and risk, a liquidity crisis and an import boom. The main beneficiaries of accession were the consumers, enjoying a wider food choice and lower inflation.

2005 and 2006 brought improvements for producers: a CAP impact, at least partly; the transfer of subsidies speeded up at last; and export increases started to keep up with those of imports.

In a new world: after the price boom

2007, the starting year of the international agricultural price boom, was an extremely poor year in Hungarian agriculture in terms of volume. Due to unfavourable weather with frost, hail and drought, the output fell by 12% and almost hit the bottom level of the transition years. The sector GDP declined by 13.3%.

Crop production suffered most, particularly maize and fruits, dropping by half due to adverse weather; and sugar beet by one third as a consequence of

the EU sugar reform and the closure of the biggest refinery.

The livestock farming crisis is continuing and the chances for recovery are worse than ever. The investment costs of meeting EU environmental standards (manure treatment, etc.) in cattle, pig and poultry farming run to hundreds of million forint and even these improvements would bring just the 'ticket' for farmers, entitling them to participate in the EU-wide competition.

Due to declining real income and (later) soaring food prices, the domestic food market started to shrink in 2007 and retail food sales in the first quarter of 2008 were already 2.4% lower than a year earlier, without showing any sign of recovery.

Agricultural exports, by contrast, picked up and the export surplus rose to EUR 1.6 billion in 2007, compared to the usual 1 billion in former years. But the all-time-high export receipts came from the sale of the grain intervention stocks stored in Hungary (mostly maize and some wheat) which had been piled up during former seasons. Therefore, this export success story cannot be repeated soon.

Even apart from this short-term distortion, the unfavourable trend in the export structure is continuing: the share of high value-added products is increasing in imports, and decreasing in exports. A plain example is the dairy sector: big volumes of raw milk are exported to Italy while German and other imported cheeses have already achieved a 35% share in the Hungarian market.

Market developments in Hungary have to a great extent been influenced by international market trends in recent years. The international agricultural price boom, in conjunction with declining domestic supply of maize and fruits in 2007, has driven up domestic producer and retail prices.

Agricultural producer prices were practically stagnating until 2005, apart from usual year-to-year fluctuations. But they rose by 10.6% in 2006, by 22.2% in 2007, and by 36.2% in the first four months of 2008. In April 2008, the highest 12-month increases were recorded for cereals (+78%), oilseeds (+54.4%), fruits (+45.4%), milk (+24.7%) and poultry (+24.5%). Most of the price increases can be attributed to EU market developments while in the case of fruits severe harvest losses due to hail damages explain the price rise.

Food retail prices hardly increased in 2005 (+2.5%), at least partly owing to the keen import competition after EU accession. In the following years food inflation accelerated (7.7% in 2006 and 11.5% in 2007) and in May 2008 food prices were 13.1% higher than a year earlier. The highest increases were recorded for vegetable oil (+69.2%), flour (+45.8%), pasta (+23.9%), milk (+22.8%) and cheese (+22.1%). The real price boom took place in autumn 2007 but food inflation started to slow down at the end of the year – except for vegetable oils. Retail food prices are expected to rise at a much slower pace in the second half of 2008 (by some 7%) except for pork which is still heading a price surge as a consequence of high fodder costs.

In spite of declining output, agricultural incomes increased again in 2007 because sales prices of key crops jumped and the terms of trade improved. (Agricultural output prices rose by 22.2% while input prices by 14.2% only.) Within this overall positive picture, however, income differences are widening further: wheat, sunflower and milk producers have emerged as the big winners while frost-damaged fruit growers and pig farmers facing doubling fodder costs and just stagnating output prices are the big losers.

The food industry is still in a deep crisis, shrinking by one fifth in the past five years. Losses in domestic sales could not be compensated in export markets. The milling, sugar, confectionery and tobacco industries shrank to a fraction of their former sizes due to changing regional policies of multinational food firms, and as a consequence of the EU sugar reform. There are hard years behind the meat, poultry and dairy industries – but even harder ones ahead of them.

The Ministry of Agriculture is visioning a complete harnessing of the agricultural sector by EU-financed new investment programmes which will cover key areas such as animal farm reconstruction, manure handling and other environmental investments, food processing, fruit and vegetable growing, irrigation and soil improvement. But even these new projects can only make up for part of the existing technical gap against the old member states.

In 2008, agricultural production is expected to grow by 10-15% and the sector GDP by 13-15%. Crop production may well surpass the poor harvest of 2007. Much bleaker are, however, the prospects for livestock, in particular pig farmers. With just slightly increasing incomes as well as high and further rising food prices, the domestic food market has continued to shrink in the first half of the year; some expansion cannot be expected before the end of the year. After last years' record, agricultural exports will fall behind.

Migration from and to Hungary

BY SÁNDOR RICHTER

Outward migration

Upon Hungary's accession to the EU, Hungarian citizens are in principle entitled to work in any other EU country and European Economic Area (EEA) member state. Nevertheless, due to transitional measures the completely unrestricted 'freedom of movement' will apply for Hungarian citizens only from 2011 onwards. The initial restrictions on Hungarian (and other NMS-8) migrants have been relaxed, in several steps, since the accession in 2004. Currently 21 EU members and 1 EEA member apply no restrictions at all on migration from Hungary. The EU members France, Belgium and Denmark, as well as EEA member Norway, have not lifted the restrictions but introduced significant alleviations.[1] Two EU members, Austria and Germany, and the EEA members Liechtenstein and Switzerland have been sticking to the restrictions although in the framework of bilateral agreements these countries (except for Liechtenstein) allow for migration under specific conditions. These four countries will most probably use the opportunity to protect their labour markets against migration from Hungary up until the year 2011.

Hungary among the new EU members with the smallest emigration

Table 1 displays the number of persons of working age from eight new EU member states as registered in other EU member states in the year 2006. It becomes evident that the propensity of Hungarians to migrate is fairly limited as compared to other NMS nationals. While Hungary's working-age population accounts for 13.5% of the total NMS-8 working-age population, the share of Hungarians of working age registered in other EU countries is just 6.6% of the total NMS-8 working-age population in other EU members (see Table 1). Among the new member states only the Czech Republic shows similar proportions and thus a similarly low migration propensity. The last column of Table 1 shows the share of Hungarian working-age population registered in other EU members in relation to the whole Hungarian working-age population: this is only 1%, substantially less than in any other NMS, except for the Czech Republic (1.1%). It is quite surprising that this share is much higher in the traditional and more recent 'success stories' of the region, i.e. Slovenia, Estonia and Slovakia (see Table 1).

After the 2004 enlargement, only Ireland, Sweden and the UK opened up their labour markets to NMS migrants without any restrictions. For that reason it is especially interesting to see how migration from NMS in general and from Hungary in particular developed over the three to four years of unrestricted access to the UK labour market. NMS-8 nationals who wish to undertake employment in the UK for a period of at least a month are required to register with the Worker Registration Scheme (WRS). Self-employed are not required to register, thus they are not included in the figures. The WRS data of registered NMS-8 nationals show that in the period May 2004 to December 2007 the share of Hungarians was slowly increasing from 2.9% in 2004 to 4.2% of total NMS-8 migrants in 2007.[2] Nevertheless the share of Hungarian nationals was much lower over the whole period than the Hungarians' share in the working-age population of the NMS-8 combined. This amounted to 13.5% in 2006, more than three times surpassing the share of Hungarian migrants in total NMS-8 workers taking a job in the UK after the EU enlargement and the successive opening-up of the UK labour market. Among the NMS-8, only Slovenia was more strongly underrepresented than Hungary on the UK labour market.

[1] France will fully open up its labour market for the NMS (except for Bulgaria and Romania) as of July 1, 2008.

[2] Accession Monitoring Report (2008) for the period May 2004-December 2007, Table 3.

Table 1

Working-age NMS-8 nationals in other EU countries, 2006 (thousands)

	total population in the home country	working-age population in the home country	distribution by NMS, in %	working-age population in other EU countries	distribution by NMS, in %	share of working-age population in other EU countries, in %
Czech Republic	10,251	7,293	14.2	80	7.7	1.1
Estonia	1,345	917	1.8	16	1.5	1.7
Hungary	10,077	6,932	13.5	69	6.6	1.0
Lithuania	3,403	2,321	4.5	81	7.8	3.5
Latvia	2,295	1,580	3.1	28	2.7	1.8
Poland	38,157	26,892	52.5	645	61.8	2.4
Slovenia	2,003	1,407	2.7	38	3.6	2.7
Slovakia	5,389	3,862	7.5	85	8.1	2.2
Total NMS-8	72,920	51,206	100.0	1,043	100.0	2.0

Source: Maier (2007); Iara (2008), p. 110.

Table 2

NMS-8 registered workers in the UK by sector, December 2007

	Number of persons			Distribution in %		
Sectors	**Hungary**	**Poland**	**NMS 6***	**Hungary**	**Poland**	**NMS 6***
Admin., business & management services	7,015	202,145	87,020	29.4	41.1	38.9
Hospitality & catering	8,410	92,745	43,295	35.3	18.8	19.3
Agriculture activities	880	44,770	31,595	3.7	9.1	14.1
Manufacturing	1,115	37,965	16,485	4.7	7.7	7.4
Food/fish/meat processing	430	24,480	12,160	1.8	5.0	5.4
Health & medical services	1,700	22,660	8,975	7.1	4.6	4.0
Retail & related services	1,405	22,855	8,860	5.9	4.6	4.0
Construction & land services	1,000	21,985	7,980	4.2	4.5	3.6
Transport	935	15,860	3,570	3.9	3.2	1.6
Entertainment & leisure services	935	6,780	4,025	3.9	1.4	1.8
Total in top 10 sectors	23,825	492,245	223,965	100.0	100.0	100.0
Other occupations	1,930	16,150	7,570	*8.1*	*3.3*	*3.4*

*) NMS-6 is NMS-8 minus Poland and Hungary.

Source: Accession Monitoring Report, UK Home Office Border and Immigration Agency, 2008, Table 11.

More waiters than bus drivers?

The distribution of migrant workers' occupations (top 10 sectors only) in the UK by new member states shows considerable differences for Hungary as compared to Poland and the group of the other six NMS (see Table 2).[3] The significance of the most popular sector, administration and business management, is about 10 percentage points smaller than either for Polish or NMS-6 workers. By contrast, the relevance of the second most popular sector, hospitality and catering, is 15 percentage points higher for Hungary than for migrants from other new member states. Hungarian workers are clearly underrepresented compared both to Poland and the NMS-6 in agricultural activities, food processing and manufacturing, while over-represented in health and medical services and entertainment and leisure services. Further, the number of jobs in other sectors than the top 10 ones show that Hungarian nationals' occupations are less concentrated in the top 10 sectors than either those of the Polish or NMS-6 nationals.

[3] Due to Poland's overwhelming weight it was expedient to compare Hungary separately to Poland and the rest of the NMS, the NMS 6.

Table 3

Hungary: inflows of foreign population by nationality, 1996-2005 (thousands)

Country	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Romania	4.2	4.0	5.5	7.8	8.9	10.6	10.3	9.6	12.1	10.3
Ukraine	1.4	1.4	1.8	2.4	2.4	2.5	2.1	2.6	3.6	2.0
Serbia and Montenegro	0.9	0.8	1.5	2.5	1.8	1.0	0.4	0.7	1.6	1.3
China	1.8	1.7	1.3	1.2	1.1	0.4	0.1	0.7	0.8	0.7
Germany	0.6	0.6	0.7	0.8	0.8	0.8	0.3	0.4	0.1	0.6
Slovak Republic	0.3	0.3	0.4	0.6	1.0	0.5	0.5	0.4	0.1	0.4
United States	0.5	0.4	0.4	0.4	0.4	0.5	0.4	0.5	0.4	0.3
Viet Nam	0.3	0.4	0.5	0.4	0.2	0.1	0.1	0.2	0.4	0.2
United Kingdom	0.2	0.2	0.2	0.2	0.1	0.2	0.3	0.4	0.1	0.2
France	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.0	0.2
Israel	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.2
Japan	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2
Russian Federation	0.5	0.4	0.5	0.4	0.3	0.3	0.3	0.3	0.3	0.2
Austria	0.1	0.2	0.1	0.2	0.2	0.1	0.1	0.1	0.0	0.1
Turkey	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.1
Other countries	2.4	2.4	2.6	2.6	2.4	2.5	2.3	2.5	2.1	1.8
Total	13.7	13.3	16.1	20.2	20.2	20.3	18.0	19.4	22.2	18.8

Source: International Migration Outlook: SOPEMI – 2007 Edition, OECD 2007, http://dx.doi.org/10.1787/016366311080.

Table 4

Hungary: stock of foreign-born population by country of birth, 1996-2005 (thousands)

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Romania	141.5	141.7	142.0	142.3	144.2	145.2	146.5	148.5	152.7	155.4
Former Czechoslovakia	41.8	40.3	38.9	37.5	36.0	34.6	33.3	33.4	31.4	32.6
Former Soviet Union	27.8	28.3	29.2	30.2	31.5	30.4	31.0	31.4	32.2	31.9
Former Yugoslavia	33.6	33.3	33.5	34.4	35.1	33.4	30.3	30.7	29.9	29.6
Germany	13.4	13.6	13.8	14.1	14.4	15.3	15.9	16.3	18.8	21.9
Austria	3.8	3.8	3.8	3.8	3.9	4.0	4.2	4.3	4.7	5.4
China	0.7	1.0	1.7	2.6	3.5	3.6	3.8	3.9	4.2	4.5
United States	2.2	2.2	2.2	2.2	2.3	2.1	2.4	2.7	3.0	3.4
Poland	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.9	3.2
France	1.3	1.3	1.3	1.4	1.4	1.4	1.5	1.6	2.2	2.7
Viet Nam	0.5	0.6	0.8	1.0	1.2	1.5	1.6	1.6	1.6	1.7
Greece	1.2	1.2	1.1	1.1	1.1	1.5	1.4	1.5	1.5	1.5
Bulgaria	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Other countries	12.2	12.8	13.7	14.6	16.1	23.0	26.8	27.8	32.5	36.3
Total	**283.9**	**284.2**	**286.2**	**289.3**	**294.6**	**300.1**	**302.8**	**307.8**	**319.0**	**331.5**
Total foreign-born population in % of total population	2.8	2.8	2.8	2.9	2.9	3.0	3.0	3.0	3.2	3.3
Memo: non-Hungarian citizens in % of total population	1.4	1.4	1.4	1.5	1.1	1.1	1.1	1.3	1.4	1.5

Source: International Migration Outlook: SOPEMI – 2007 Edition, OECD 2007, http://dx.doi.org/10.1787/017437517777 and http://dx.doi.org/10.1787/015587767146.

Inward migration

Immigrating ethnic Hungarians

Time series on the inflow of foreigners show that Hungary has remained a relatively unimportant target country of international migration. The annual inflow was ranging between 13 and 22 thousand persons in the period 1996-2005 (see Table 3). The three most important source countries of immigration have been Romania, Ukraine and Serbia, each with a substantial ethnic Hungarian population. All other source countries have been of minor significance, with less than one thousand migrants in any year. It is worth mentioning that China was in some years the source of more than thousand migrants.

The definition of migrants may be based either on place of birth (home-country born/foreign-country born) or citizenship (home country/foreign). In Hungary this distinction is indeed relevant, as ethnic Hungarian immigrants tend to initiate their naturalization. Table 4 shows the stock of foreign-born population in Hungary, which includes both naturalized immigrants and those who live in Hungary but are foreign citizens. The foreign-born population slightly increased between 1996 and 2005 and surpassed 330,000 by the end of the period. Even then the share of the foreign-born population remained modest, at 3.3% of Hungary's total population, which is lower than the respective indicator in the old EU member states and also somewhat lower than in the Czech Republic (4-5%) but roughly corresponds to the Slovak data. For lack of data no comparison is possible with Poland.[4] The last line in Table 4 displays the impact of naturalization: the share of foreign citizens in the total population is only half the share of the foreign-born population.

The participation of migrants on the Hungarian labour market is monitored by various statistics, an overview of sources and methodological problems is provided in Hárs (2008).

Immigrants in the shadow economy

Illegal employment poses a special problem in capturing the role of migrants on the labour market. In 2005 the share of foreign-born labour force made up 1.9% of the total labour force, while this population group constituted 3.3% of the total population. In the same year the foreign labour force (those with other than Hungarian citizenship) amounted to 0.8% of the total labour force, while this group's share in the total population was 1.5%. These figures hint at an overrepresentation of migrants in illegal employment. Another explanation would be a lower participation rate of migrants, but exactly the opposite is the case, at least for the foreign-born population: Hungary belongs to that minority of OECD countries where the participation rate of the foreign-born population is about 4 percentage points higher than the exceptionally low rate of the local-born population.[5] Nevertheless, illegal employment is even higher than that indirectly reflected in the statistical data. Foreigners arriving as tourists, undertaking occasional jobs, then leaving and returning again, are an important part of the Hungarian world of labour, in particular in agriculture, construction and home care services. No statistics or estimations are available on that segment of foreign employment.

Labour permit, registration, green card

Registration of foreign employees has two basic categories: EU/EEA citizens and citizens of other countries of the world. Citizens from countries outside the EU/EEA need a labour permit. The regulations of employment of persons from EU/EEA countries used to be more complex but have recently been significantly simplified. From January 2008 no labour permit is needed for persons with at least secondary education or a skill arriving from any EU/EEA country. Employers are obliged to report the number of employees from EU/EEA countries even if no labour permit for them is required. That will help create an overview of foreign employment from this year on, but looking backward to the years 2004-2007 the picture is not so clear.

[4] Migration Monitoring SOPEMI (2007a).

[5] Migration Monitoring SOPEMI (2007b).

Table 5

Country/Group of countries	Number of valid work permits at year end							
	1996	1997	1998	1999	2000	2001	2002	2003
Romania	8,526	9,478	10,610	14,132	17,235	22,039	25,836	27,609
Former Soviet Union	2,200	3,119	2,833	4,028	5,157	6,460	6,258	7,884
Former Yugoslavia	1,007	982	964	1,238	1,400	1,252	1,120	1,112
Poland	956	1,051	989	544	294	254	255	344
Slovakia	428	425	469	972	2,856	1,788	2,759	5,686
Czech Republic	8	26	21	34	56	79	124	121
EU-15	n.a.	2,162	2,514	2,674	2,374	2,541	2,298	2,200
China	535	684	1,053	1,397	2,054	1,146	1,054	899
Vietnam	132	224	311	435	726	441	322	246
Other	4,971	2,231	2,702	3,015	2,862	2,623	2,674	2,550
Total	18,763	20,382	22,466	28,469	35,014	38,623	42,700	48,651
previous year = 100		*109%*	*110%*	*127%*	*123%*	*110%*	*111%*	*114%*
Country/Group of countries	**Number of valid work permits at year end, distribution by country in %**							
	1996	1997	1998	1999	2000	2001	2002	2003
Romania	45.4	46.5	47.2	49.6	49.2	57.1	60.5	56.7
Former Soviet Union	11.7	15.3	12.6	14.1	14.7	16.7	14.7	16.2
Former Yugoslavia	5.4	4.8	4.3	4.3	4.0	3.2	2.6	2.3
Poland	5.1	5.2	4.4	1.9	0.8	0.7	0.6	0.7
Slovakia	2.3	2.1	2.1	3.4	8.2	4.6	6.5	11.7
Czech Republic	0.0	0.1	0.1	0.1	0.2	0.2	0.3	0.2
EU-15	n.a.	10.6	11.2	9.4	6.8	6.6	5.4	4.5
China	2.9	3.4	4.7	4.9	5.9	3.0	2.5	1.8
Vietnam	0.7	1.1	1.4	1.5	2.1	1.1	0.8	0.5
Other	26.5	10.9	12.0	10.6	8.2	6.8	6.3	5.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Public Employment Service.

On the basis of reciprocity no labour permit was required for citizens from the UK, Ireland and Sweden from 1 May 2004; for citizens from Spain, Portugal, Greece and Finland from May 2006; for citizens from Italy from November 2006; and for citizens from the Netherlands from May 2007.[6] Citizens from an old EU country that still required a labour permit for Hungarian citizens and where reciprocity applied, could apply for a green card and take a job in Hungary on the condition that they had already had one year continuous employment in Hungary. Employees from the new member states (2004 enlargement) did not need a labour permit but were required to register. Employment of citizens from Bulgaria and Romania was, from January 2007 until the end of the year, conditional on permission, except for a group of professions. The Public Employment Service warns that a substantial part of foreign employment does not appear in the statistical data.

Table 5 displays foreign employment in Hungary by sending countries in the pre-accession period (1996-2003). The number of work permits continuously increased in this period and more than doubled within seven years. About half of the work permits were issued for Romanian citizens, 11-17% for migrants from the successor states of the former Soviet Union. From 2000 the share of Slovaks increased and surpassed 11% in 2003. Migration from the old EU was still significant in 1997 and 1998 (11% of total work permits).

[6] France will be treated alike as of 1 July 2008.

Table 6

Foreign labour by branches, 2005

(distribution in %)

Branch	Country of origin						
	Romania	Slovakia	Ukraine	former Yug.	China	Foreign (5)	Total Hungary
Agriculture	9	1	4	11	0	6	5
Industry	20	58	14	32	7	29	24
Construction	35	3	55	14	0	28	8
Trade	17	2	10	15	83	14	15
Other service	6	26	7	7	2	11	40
Public administration	5	3	5	14	2	5	8
Other	7	7	6	7	5	7	0
Total	100	100	100	100	100	100	100
Number of persons	*33,875*	*15,116*	*8,258*	*1,543*	*1,216*	*60,008*	*3,901,500*

Source: Hárs (2007); Statistical Pocketbook of Hungary (2005), p. 35.

Table 7

Compensation of employees (less than one year employment), 1995-2006, in EUR

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Credit	109	125	172	172	171	238	270	247	219	213	211	252
Debit	97	63	65	53	76	75	94	96	80	87	110	135
Net	12	61	107	119	96	163	177	151	139	126	102	117

Source: National Bank of Hungary.

EU accession had no impact on immigration

At the end of April 2004, immediately before Hungary's accession to the EU, the number of valid work permits was 55,710. By the end of the first year in the EU, the combined number of different kinds of permits allowing foreigners to be employed in Hungary increased by 15% – exactly the same as the average growth rate of labour permits issued in 1996-2003. Remarkably, in 2005 and 2006 this number practically stagnated, i.e. EU accession apparently slowed down inward migration. The distribution of migrants by sending countries has changed. While Romanian citizens continue to constitute about half of the migrants, the share of Slovak citizens jumped to one quarter by 2006 and that of migrants from Ukraine rose to about 12-14%. Based on 2007 data on the four different sorts of new work permits, inward migration may have slowed down even further last year.[7]

The distribution of migrants by geographical regions is highly uneven. In 2007 nearly two thirds of foreign workers were employed in Budapest and its agglomeration (Central Hungary), close to 20% in the dynamically developing region Central Transdanubia. The other five regions are underrepresented in foreign employment.[8] For comparison: Central Hungary delivers 46%, Central Transdanubia 10% of Hungary's GDP.[9] In terms of economically active population, 32% of the total falls on Central Hungary and 12% on Central Transdanubia.[10]

Industry and construction absorb most of the foreign labour

In an overview of foreign employment by economic branches, covering 95% of foreign workers in 2005,

[7] Public Employment Service.

[8] Op. cit.

[9] Hungarian Central Statistical Office (2005); own calculations.

[10] Hungarian Central Statistical Office (2005); own calculations.

we can see that the breakdown of foreign workers by branches differs substantially from that of the total employment in Hungary, and there are diverging patterns by individual source countries as well (see Table 6). Foreigners are remarkably over-represented in construction and to some extent in industry, while their share in services other than trade is only a quarter of that of the Hungarian average. Country-specific features reveal that migrants from Slovakia work predominantly in industry, those from Ukraine in construction, whereas those coming from Romania in construction, industry and trade. Nearly all Chinese are engaged in (retail) trade.

Remittances of foreign employees to their home countries and of Hungarian workers from abroad are registered by the National Bank of Hungary, however, only for those with less than one year employment (see Table 7). Thus, remittances of migrants proper (with longer than one year stay) are not included and the values registered are accordingly small. A considerable part of transfers may also take place in cash, considering that most of the migrants in Hungary arrive from neighbouring countries, with accordingly short travel distances allowing for frequent visits.

No statistical data are available on brain drain. Anecdotal evidence points to relevant emigration of Hungarian physicians to old EU member states which reflects the very low salaries of this occupational group. Press reports of labour shortages in professions requiring specific skills coupled with insufficiencies and rigidities of vocational training in Hungary predict an increasing inflow of migrants offering these skills.

3 Conclusions

The available data on migration from and to Hungary clearly show that Hungary is a relatively 'closed' country: neither outward nor inward migration is really significant. Hungary is among the less important sending countries of the EU's new member states and, as a host country, attracts much less migrants in relative terms than the old EU members.

Compared to the communist era the mobility in both directions is more significant, but EU membership has not changed the characteristics of migration in either direction.

Most of the immigrants arrive from neighbouring countries and are typically ethnic Hungarians. This explains the relative importance of naturalizations appearing in the highly diverging numbers of foreign-born persons and foreign citizens, respectively, in Hungary.

Foreign employment is strongly concentrated in the Budapest agglomeration and to a smaller extent in Central Transdanubia, both regions figuring as engines of growth in Hungary. The breakdown of foreign employees by branches significantly differs from that of the total employees. Foreigners are over-represented in construction and industry while under-represented in the services sectors. The latter, however, may accommodate a substantial part of illegal employment.

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The international role of the euro: prospects of dethroning the dollar as the leading international currency still fairly remote*

BY LEON PODKAMINER

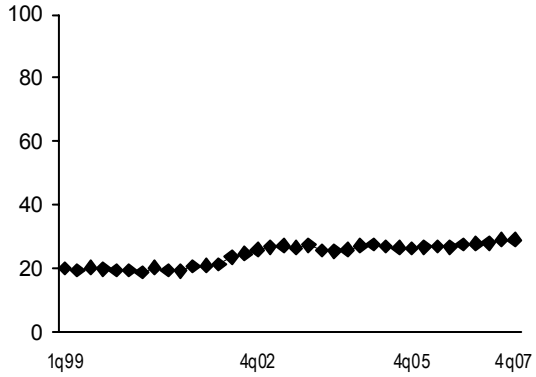
Do current exchange rate developments really augur a change in the dollar's position as the lead international official reserve currency?

'Current exchange rate developments could suggest that the euro might be on its way to surpassing the dollar as the leading international currency. This sentiment seems to have become more widely shared recently in light of the relatively rapid depreciation of the dollar against other currencies.'

The current exchange rate developments (i.e. the relatively rapid depreciation of the dollar against other currencies, especially in 2007-2008) have some rather obvious implications for the owners of assets denominated in dollar. In terms of other currencies (i.e. the ones appreciating against the dollar) the owners of dollar-assets have suffered wealth losses (independently of eventual income losses due to the differences in the interest rates, which might have been higher on assets denominated in appreciating currencies). Conversely, the holders of assets denominated in appreciating currencies (especially in euro) have recorded gains (in terms of dollars). Quite possibly these considerations are on the minds of the largest *foreign* holders of the dollar-assets – i.e. at the central banks around the world. Surely, the theory that a central bank eager to maximize its wealth or income should *now* be considering moving out of depreciating dollars into appreciating euros sounds reasonable – and may indeed suggest that the euro might be on its way to surpassing the dollar (at least as an official reserve currency). This theory finds some support in data on the currency composition of official worldwide foreign exchange reserves. It turns out that the share of claims in euro in the combined euro-cum-dollar official (allocated) foreign exchange reserves has risen from about 20% (1999-2000) to close to 30% most recently (at the end of 2007).[1] This is illustrated by Figure 1.

Figure 1

Share (%) of claims in euro in the combined euro-cum-dollar official (allocated) foreign exchange reserves, 4q1999-4q2007



A qualification must be added now: the allocated reserves (i.e. the ones whose currency denomination can be identified) are only a part of total reserves. The unallocated reserves (the difference between total and allocated reserves) are huge and rising fast (from 22% of the total in 1999 to 36% most recently). Practically all of the unallocated reserves are held by central banks of the developing countries.[2] There are good reasons to assume that the unallocated reserves of major groups of the developing countries (China, Southeast Asia, Latin America, possibly also the Middle East) are in dollars rather than in euros. The

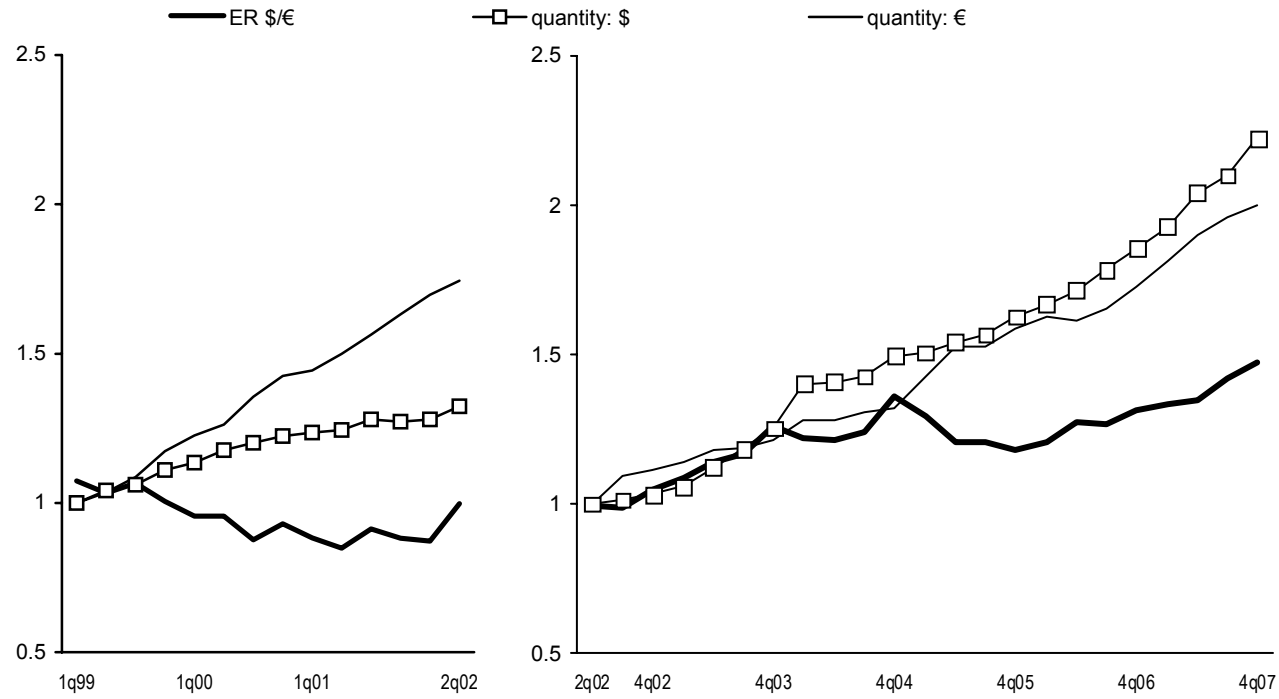
* This text was written following a request from the European Parliament's Committee on Monetary and Economic Affairs (May 2008).

1 Data on official reserves come from the IMF (COFER data base). The combined euro-cum-dollar claims have accounted for about 90% of total allocated reserves all along.

2 The share of unallocated reserves in total reserves of developing countries has risen from 38% in 1999 to 47% recently. Moreover, the share of developing countries in total reserves has risen from about 50% to over 60%.

Figure 2

Quantities of euros and dollars held in allocated official foreign exchange reserves: indices for periods 1q1999-2q2002 and 2q2002-4q2007, and the euro/dollar exchange rate



Source: own calculations based on COFER.

implication is that the data for *allocated* foreign exchange reserves are likely to exaggerate the significance of euro-denominated claims in the *total* reserves. Most likely the true share of euro-claims (in total reserves) is lower than suggested by Figure 1. Moreover, that true share need not be rising at all.

Now, let us take the data on allocated reserves at face value and assume that they reflect the actual relationships between *total* euro and dollar reserves accurately. The share of claims in euro began to rise (around the second quarter of 2002) – more or less at the time when the period of the initial depreciation of the euro came to an end. Since about that time the euro has been generally appreciating vs. the dollar. The relevant question to ask now is whether (or to what extent) the rising share of claims in euro represents a passive effect of a stronger euro/dollar exchange rate – as opposed to an active 'real rebalancing' of central banks' currency portfolios. Figure 2 provides some tentative clues.

Figure 2 suggests the following:

(1) The period of depreciation/weakness of the euro (ending around the 2q2002) was accompanied by a fast *rise* in the central banks' demand for 'physical' euros and a relatively anaemic rise in the demand for 'physical' dollars. This, of course, would seem strange. Why were the central banks investing in a weakening (or weak) currency?[3]

(2) Conversely, the period of a 'strong' euro (since about 2q2002) happens to be associated with the demand for 'physical' euros rising, generally, at a much *lower* pace than the demand for 'physical'

[3] It may be important to remember that the US Federal Reserve System keeps – despite its name – only symbolic quantities of *foreign exchange* reserves. Strong demand for the euro in that period could not reflect FED interventions aiming at preventing appreciation of the dollar. It may be added that the central banks of the developing countries had a particularly strong appetite for euro reserves in just that period. During the period of a weak euro the quantity of 'physical' euros held in reserves by these banks rose by 81%. (The respective growth rate for the industrial countries was 68%.)

dollars. This tendency appears to have been particularly strong during the most recent wave of euro appreciation (since about 4q2005). Moreover, while one could perhaps interpret the strength of the demand for dollar reserves as an effect of some hidden interventions of the industrial countries' central banks (including – implausibly – the ECB) aiming at preventing an appreciation of the euro, it would seem utterly improbable that the central banks of the developing countries had any motive to act that way. In actual fact the developing countries' central banks have been expanding their holdings of dollar reserves much faster than of euro reserves – and much faster than the industrial countries.[4]

(3) The visual shape of the trajectory of the share of euro (or dollar) claims in total allocated reserves is likely to suggest incorrect conclusions concerning the changing roles of the euro (vs. the dollar) as the official reserve currency. The relatively rapid depreciation of the dollar (against the euro) – especially since 4q2005 – happens to be associated with a strong rise in the demand for *dollar* reserves (see the Table in footnote 4). On the same principle, the relatively rapid appreciation of the dollar (1999-2001) was associated with a strong rise in the demand for euro reserves (rather than dollar reserves). The *widely shared sentiment* that the rapid depreciation of the dollar vs. the euro might augur the demise of the dollar as the lead international currency and the advent of the euro-era is – apparently – *not shared* at the central banks worldwide.

Are then the central banks worldwide, accumulating huge reserves of depreciating rather than appreciating currencies, collectively irrational in their decisions on the currency composition of their foreign exchange reserves? I do not think so. Even leaving aside possible 'strategic' motives (e.g. for China's accumulating dollar rather than euro reserves) it may be actually quite rational to 'buy' dollars (or euros) when these are cheap rather than expensive. Of course, for this interpretation to be right it has to be widely believed (at least at the central banks worldwide) that the current dollar depreciation trend will be reversed, sooner or later. I assume that this is the case: there must be a general expectation of the dollar eventually regaining strength – at least vs. the euro.[5]

In other (than being an international reserve currency) aspects the euro still trails far behind the dollar

Sticking to the dollar as the chief reserve currency may also be connected with that currency's lead position as a foreign exchange market currency – hence with its being more liquid than any other currency. And that liquidity may be essential for the central banks of countries which occasionally may need to consider a quick currency intervention.

The most recent available data (from the *Triennial Central Bank Survey of Foreign Exchange and Derivatives Market Activity in 2007*, published by BIS in December 2007) demonstrate the dollar's continued worldwide superiority. 43.2% of all foreign exchange market turnover involved the dollar – against 18.5% for the euro. The share of the euro is still lower than the combined shares of Swiss franc, pound sterling and yen. Moreover, while the dollar is of crucial importance for foreign exchange transactions involving the euro (74% of the euro forex market turnover is against the dollar), the euro

[4] Euro and dollar allocated reserves, by country groups, USD/EUR exchange rate, end-4q2005 and end-4q2007:

	All countries		*industrial countries*	
	USD bn	*EUR bn*	*USD bn*	*EUR bn*
4q2005	1900	579	947	216
4q2007	2599	731	1039	235
Index	1.368	1.261	1.097	1.087
	developing countries		*Exchange rate*	
	USD bn	*EUR bn*	*USD/EUR*	
4q2005	953	364	1.1797	
4q2007	1560	496	1.4721	
Index	1.637	1.364	1.248	

[5] At this stage it may be worth commenting on the opinion that the current global instability (with the dollar being challenged by the euro as the chief reserve currency) may be partly responsible for increasing commodity prices (e.g. of gold). The problem with this opinion is that the dollar is not really challenged by the euro – either as the official reserve currency or in any other use. Increasing commodity prices need not have much to do with the presumed euro-dollar contest. In part these prices may reflect upset supply-demand balances and in part speculative motives (as seems to be also the case with, e.g., prices of art objects).

is not all that important for the dollar (the share of the euro in dollar forex transactions is about 32%). The disparity between the roles of the two currencies is lower in some market segments, for instance in invoicing deliveries in international trade in goods or in the debt securities markets. This is understandable – e.g. given the very high levels of the euro area's trade in goods relative to its GDP. On the other hand, it must be remembered that the daily turnover in international goods' trade accounts for a tiny fraction (2-3%) of the total forex turnover. All in all, the distances between the roles (other than those of serving as official reserve currencies) played by the two currencies are still rather enormous – and unlikely to be reduced substantially anytime soon.

Other reasons for doubts about the eventuality of the euro replacing (anytime soon) the dollar as the lead international currency

First, there are network (externality) effects. The individual usages of the lead international currency are mutually reinforcing. For example, being the main international reserve currency enhances other uses of that currency – and these strengthen the case for keeping the reserves in the currency itself. The uses create entrenched institutions and skills which further reinforce the status of the lead currency.[6] Breaking the existing networks/ institutions is of course imaginable – but the likely short-term costs may be prohibitively high to many (all?) parties involved. Maybe one needs a major cataclysm to see a currency losing its lead position. It is perhaps not a coincidence that it took two devastating world wars which reduced the UK to a US client to terminate the unparalleled supremacy of the pound sterling.

Second, it is sometimes assumed that economic supremacy (the size of GDP) may eventually (e.g. upon further enlargement of the euro area, possibly also with the UK acceding) lead to the advance of the euro. I am not convinced. The US overtook – in terms of both total output and output per capita – the UK already by 1900. But the pound sterling was not challenged by the dollar long after the UK economy had been dwarfed by the US. Again, institutional inertia may be of vital importance; and also the development levels/sophistication of the existing financial markets. In this respect the euro area still trails far behind the US. Actually, it is even difficult to speak of any truly unified euro area financial market. The national financial markets within the euro area itself are still far from being fully integrated.

Third, even if the GDP size does matter, it is doubtful whether the euro area will be in a position to overtake the US anytime soon. Rather, I would expect the US to remain much more dynamic than the EU not only on account of, e.g., its more advantageous demography, higher innovativeness etc. First of all, the US macroeconomic policy making is superior to the policy making in the EU – and is likely to remain such. The fiscal policies in the EU are constrained by the provisions of the Growth and Stability Pact. The US fiscal policy faces no such arbitrary constraints and makes full use of the good old Keynesian prescriptions for ensuring fast growth and low unemployment. Also, the monetary policy conducted by the FED must be judged as superior to that of the ECB – if only because of its unorthodox pragmatism, flexibility, decisiveness and the degree of consistency with the fiscal policy.

Last, but not least, the euro – unlike the dollar – is not a currency of any sovereign state. It is not fiscally supported by any *single* tax authority ready to prop it when necessary. While claims expressed in dollars (and the dollars themselves) automatically represent definite liabilities of the US *government*, the claims expressed in euros (and the euros themselves) do not seem to represent – even ultimately – the liabilities of any specific EU government. Moreover, there is a possibility (however hypothetical) of the euro area breaking up (e.g. with some countries reintroducing their own national currencies). After all one encounters, quite often, public deliberations on the

[6] Institutions and skills inherited from the past are responsible for the continuing over-proportionate international roles still played by the Swiss and UK currencies.

'sustainability of the euro' – but not on the 'sustainability of the dollar'. This makes a difference: there is some residual uncertainty about the fate of the euro. Of course the implications of an eventual demise of the euro (admittedly a highly unlikely, but not impossible, event) are hard to foresee. But it may be that uncertainty – however tiny – over these eventual implications which may prevent the euro from becoming the lead currency (even provided other criteria for becoming such a currency were to be met).

Disadvantages of the euro becoming the lead currency probably greater than eventual benefits

It transpires, from what has been written above, that I do not see any signs of imminent replacement of the dollar by the euro as the truly international lead currency. Nor do I believe that such a replacement can be realistically expected in any foreseeable future. Should we deplore this? Not really. First of all, an eventual changeover – which would probably have to be abrupt – would possibly imply a sudden, quantum leap in the value of the euro not just vs. the dollar, but possibly against all, or most other currencies. Unless countered by expansionary *domestic* policies in the EU, this might push the EU economy into a strong deflation combined with a possibly deep recession. Given the irrational, atavistic beliefs prevailing among the EU economic policy makers (Growth and Stability Pact) this would probably be the *real* short-term outcome of the euro becoming a global currency.

That much about the costs. There would, of course, be some *potential* longer-term benefits, e.g. in the form of the ability to obtain – at a low cost – real assets and resources abroad. Like the US during the recent decades, the EU would be in a position to live 'beyond its means', i.e. with its current consumption and investment being in part cheaply financed by rising foreign debt. The problem is that the euro area as a whole has itself been a net creditor to the rest of the world. Becoming a net debtor may not be all that easy. For over a decade now the Japanese have been trying hard to stop being net creditors – i.e. net exporters of both goods and capital; without much success. Now, if Europe also failed to invest in excess of its savings, it would not be really in a position to benefit from the privileged status of its own currency. All in all, the real disadvantages of the euro becoming the lead currency are likely to be greater that the eventual benefits. But, as stated before, the risk of the euro assuming the roles nowadays played by the dollar is rather low.

In any case, the ECB is quite clearly unenthusiastic about the idea. The attempts to slow down the enlargement of the euro area (and the opposition to any unilateral euroization in third parties) seem to reflect the same sentiment. Most probably the ECB – with its current governance framework – is fully aware of the additional difficulties it could face on having to manage a global currency. Given the fact that the ECB is not really prepared (also institutionally) to safeguard financial stability even in the euro area, one cannot expect the ECB to cherish the vision of being co-responsible (even if only 'morally') for the global financial stability. Of course, things may change if the EU policy framework is reformed so that the ECB and the fiscal authorities of the EU countries can learn to run jointly – first – the *internal* EU policy more efficiently. But even this need not occur anytime soon.

STATISTICAL ANNEX

Selected monthly data on the economic situation in Central, East and Southeast Europe, 2002-2008

Conventional signs and abbreviations

used in the following section on monthly statistical data

.	data not available
%	per cent
CMPY	change in % against corresponding month of previous year
CCPY	change in % against cumulated corresponding period of previous year (e.g., under the heading 'March': January-March of the current year against January-March of the preceding year)
3MMA	3-month moving average, change in % against previous year.
CPI	consumer price index
PM	change in % against previous month
PPI	producer p1rice index
p.a.	per annum
mn	million
bn	billion

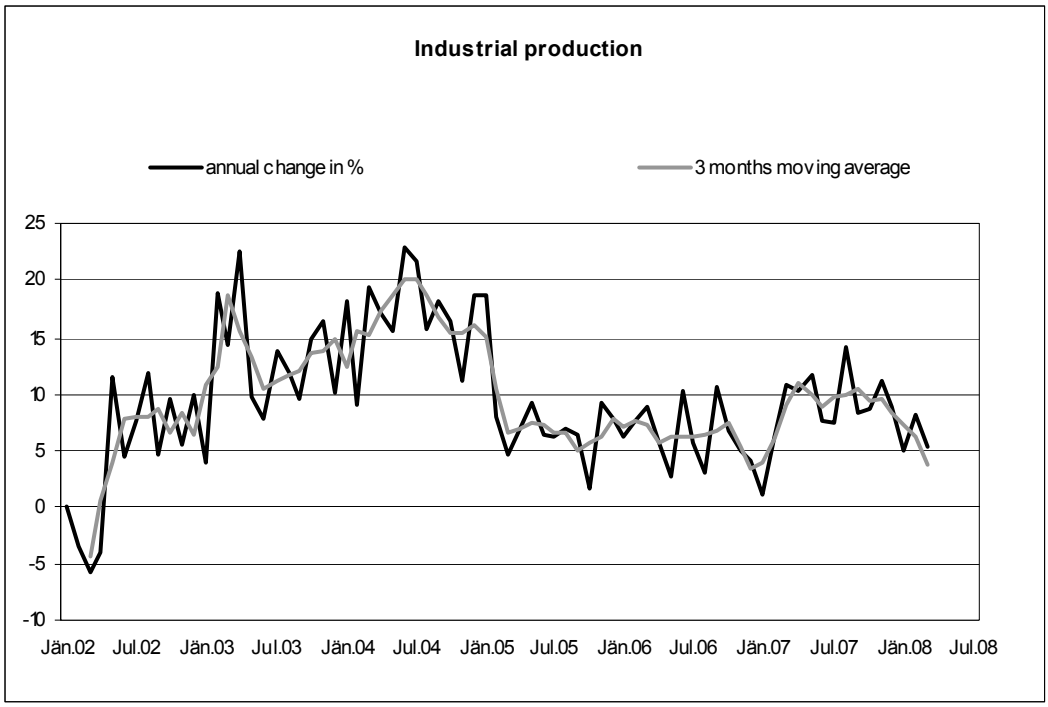
BGN	Bulgarian lev
CZK	Czech koruna
EUR	euro, from 1 January 1999
EUR-SIT	Slovenia has introduced the euro from 1 January 2007
HRK	Croatian kuna
HUF	Hungarian forint
PLN	Polish zloty
RON	Romanian leu
RUB	Russian rouble
SKK	Slovak koruna
UAH	Ukrainian hryvnia
USD	US dollar

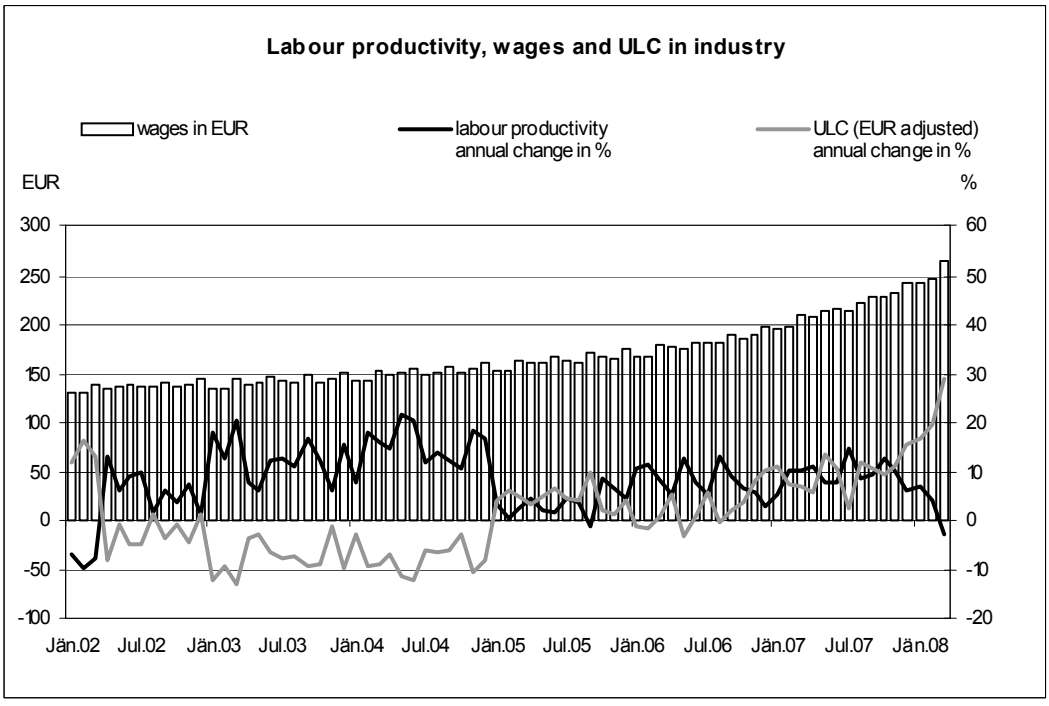
M0	currency outside banks / currency in circulation (ECB definition)
M1	M0 + demand deposits / narrow money (ECB definition)
M2	M1 + quasi-money / intermediate money (ECB definition)
M3	broad money

Sources of statistical data: National statistical offices and central banks; wiiw estimates.

Please note: *wiiw* Members have **free online access** to the wiiw Monthly Database Eastern Europe. To receive your personal password, please go to http://mdb.wiiw.ac.at

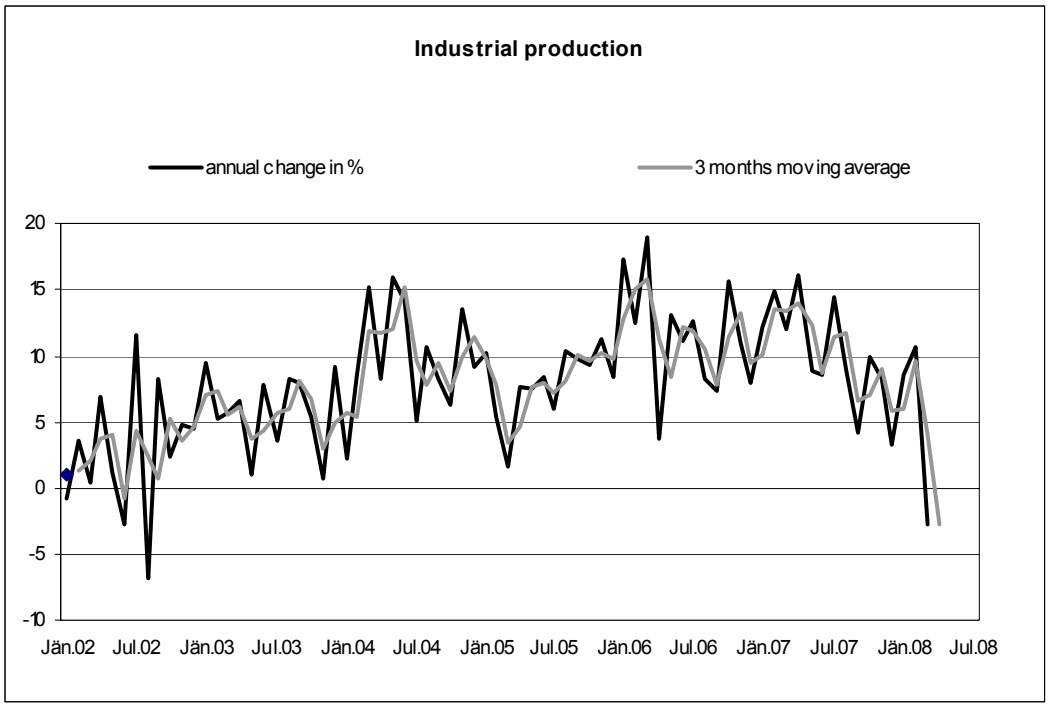
Bulgaria: Selected monthly data on the economic situation 2002 to 2008

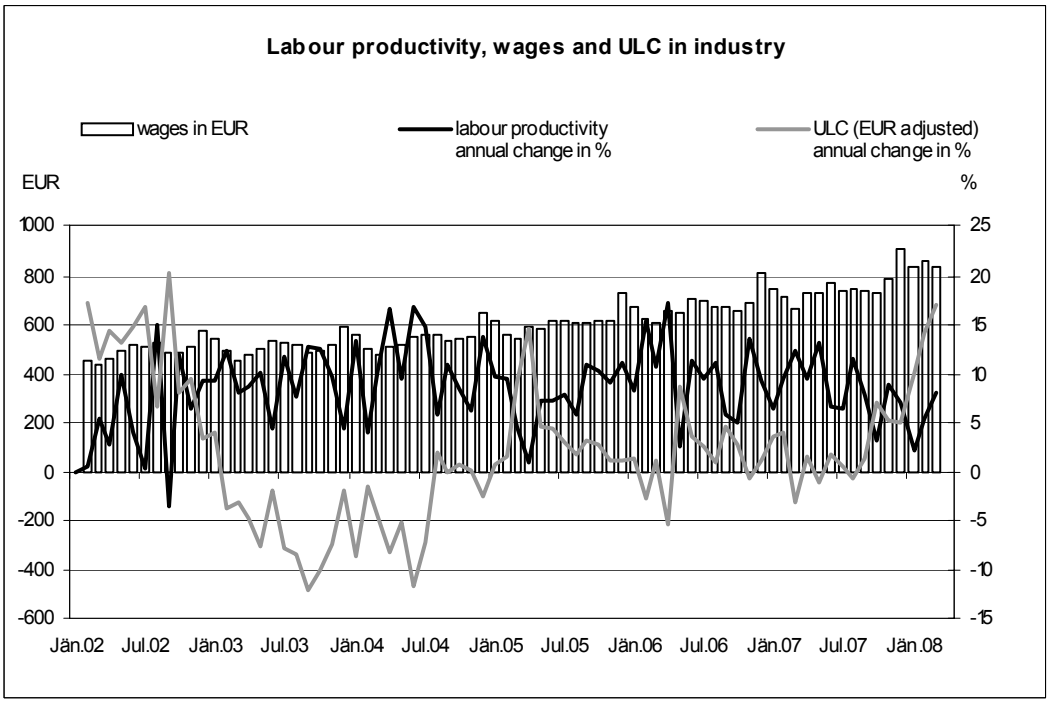




Source: wiiw Monthly database incorporating national statistics.

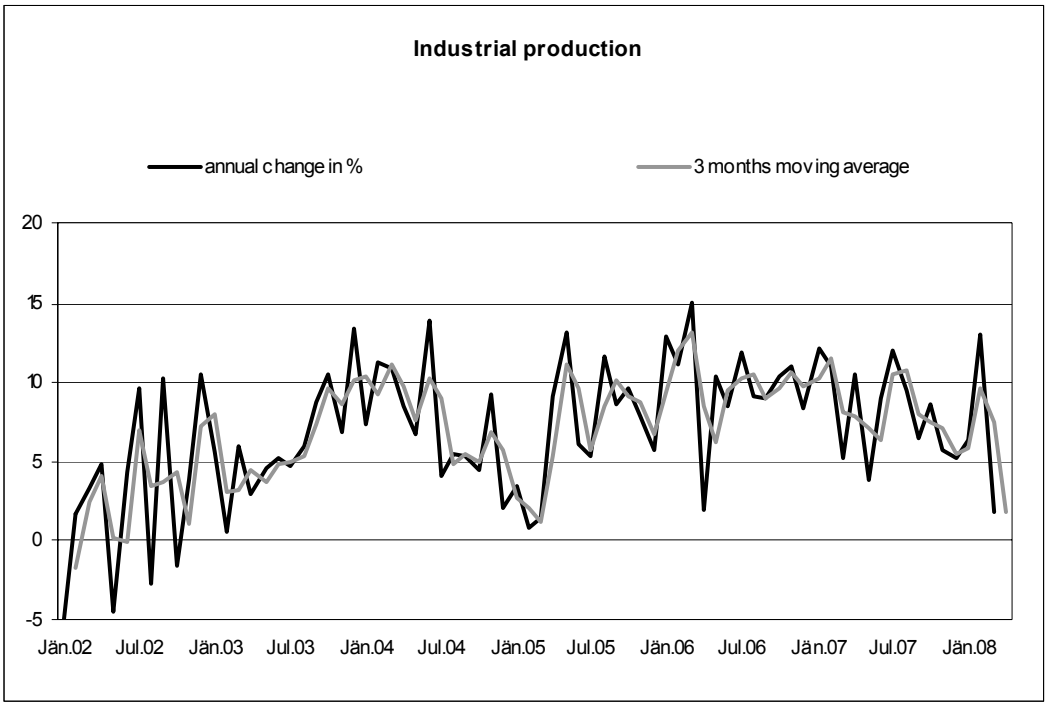
Czech Republic: Selected monthly data on the economic situation 2002 to 2008

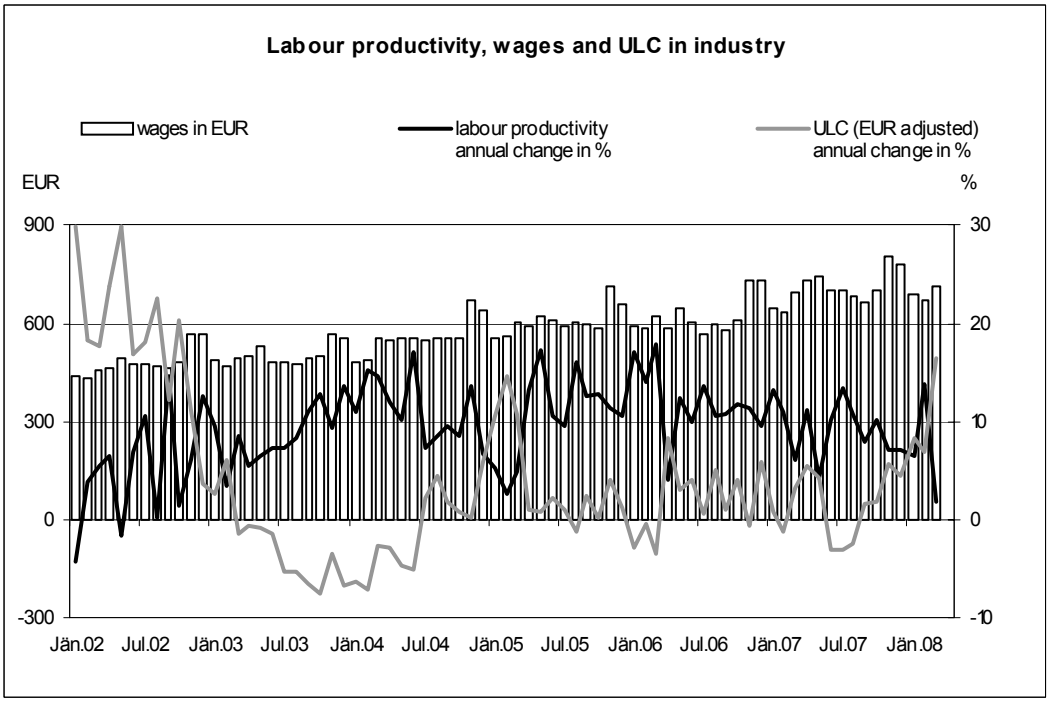




Source: wiiw Monthly database incorporating national statistics.

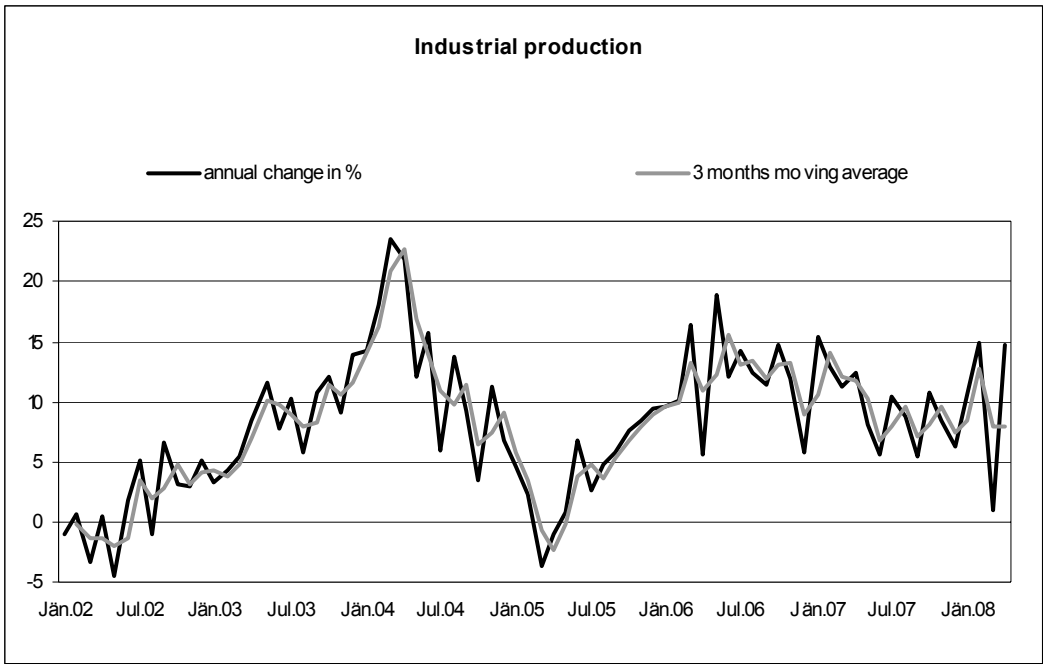
Hungary: Selected monthly data on the economic situation 2002 to 2008

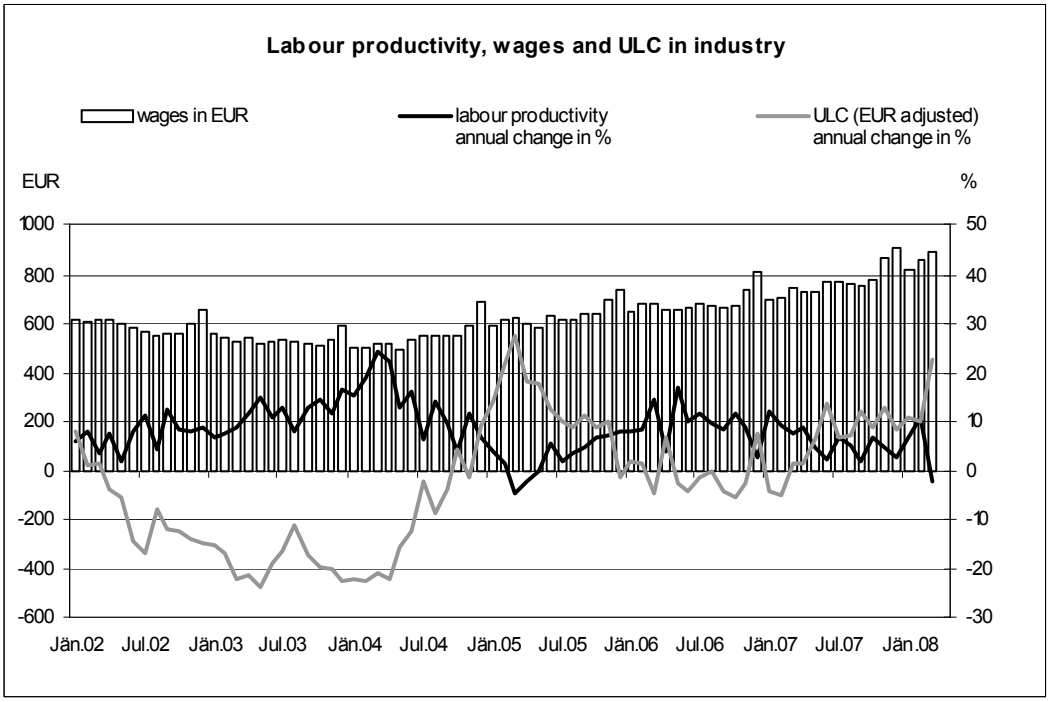




Source: wiiw Monthly database incorporating national statistics.

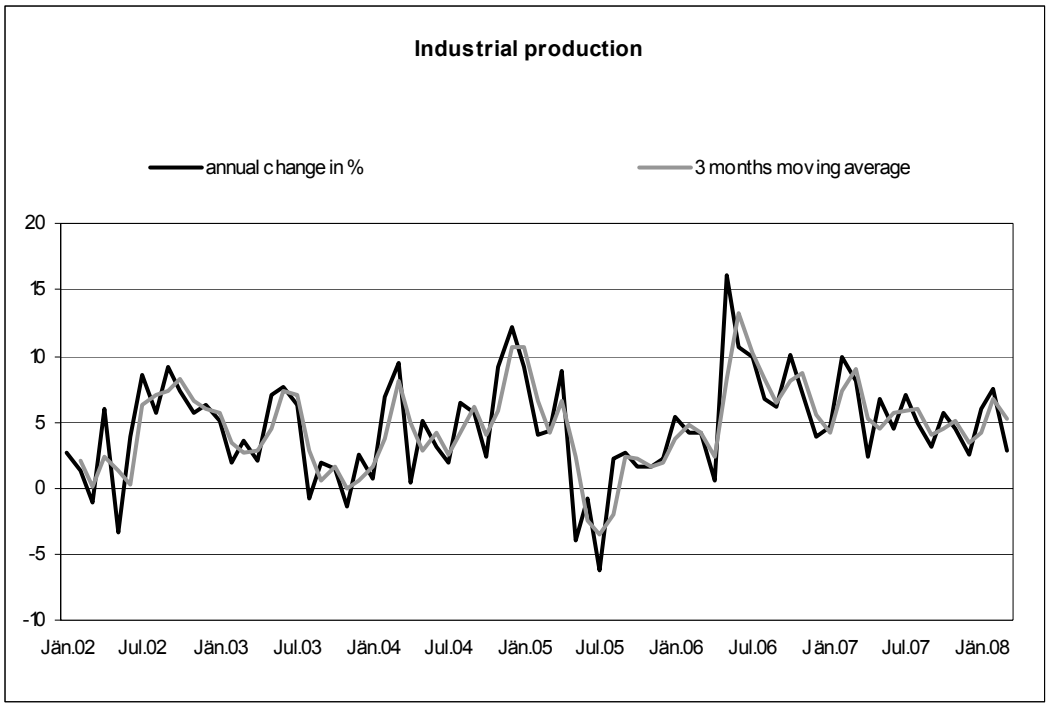
Poland: Selected monthly data on the economic situation 2002 to 2008

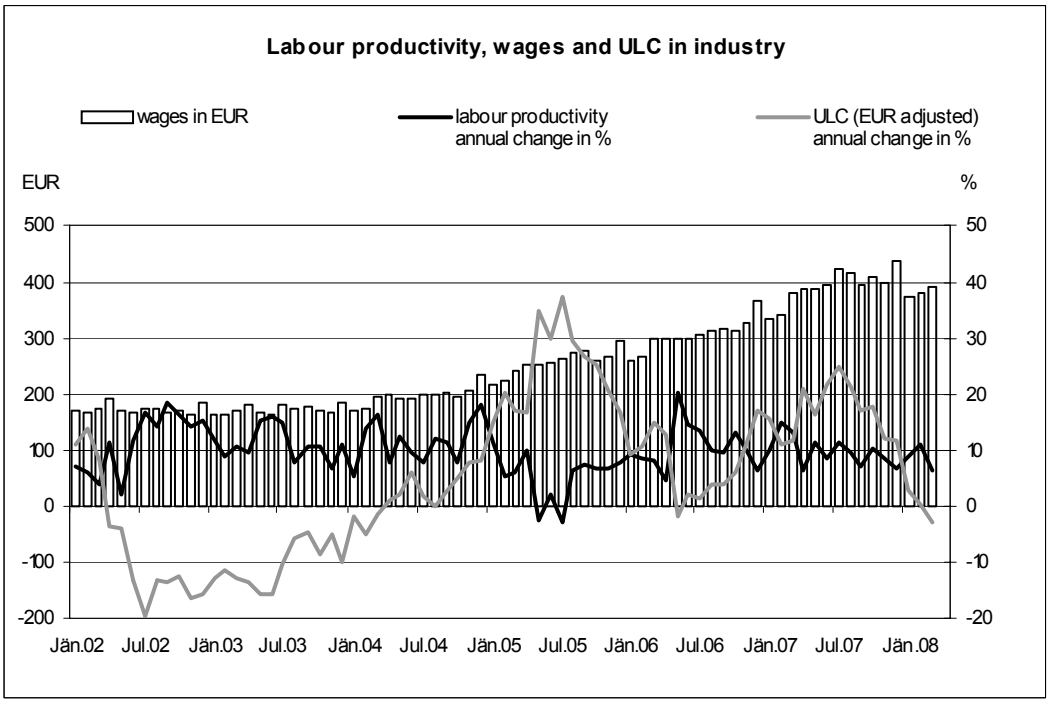




Source: wiiw Monthly database incorporating national statistics.

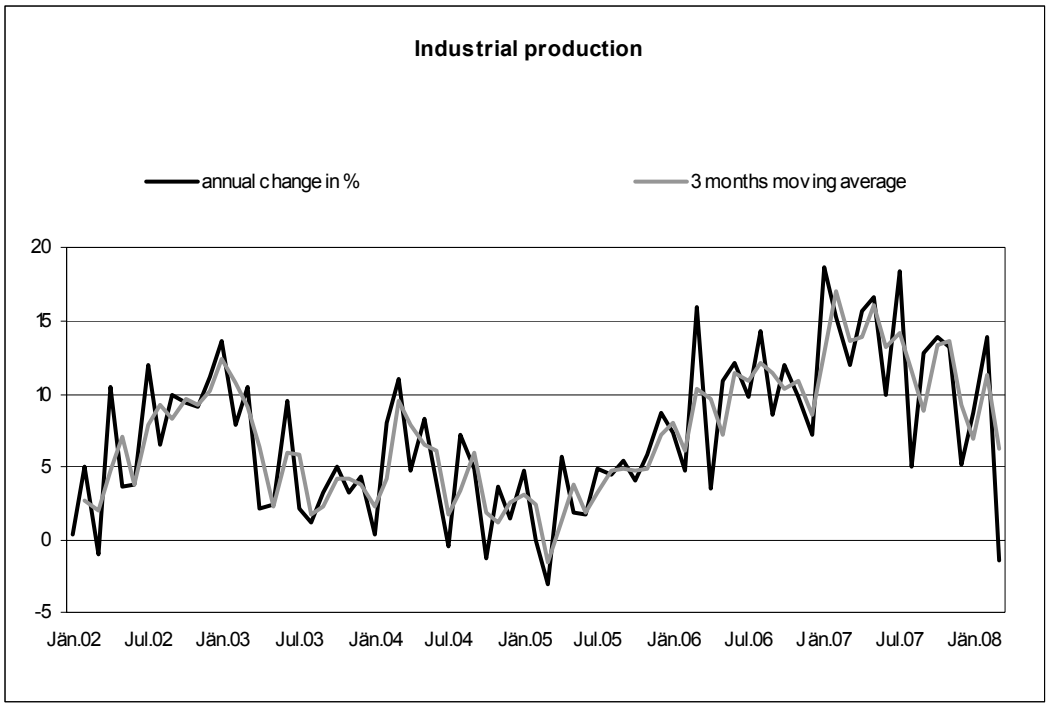
Romania: Selected monthly data on the economic situation 2002 to 2008

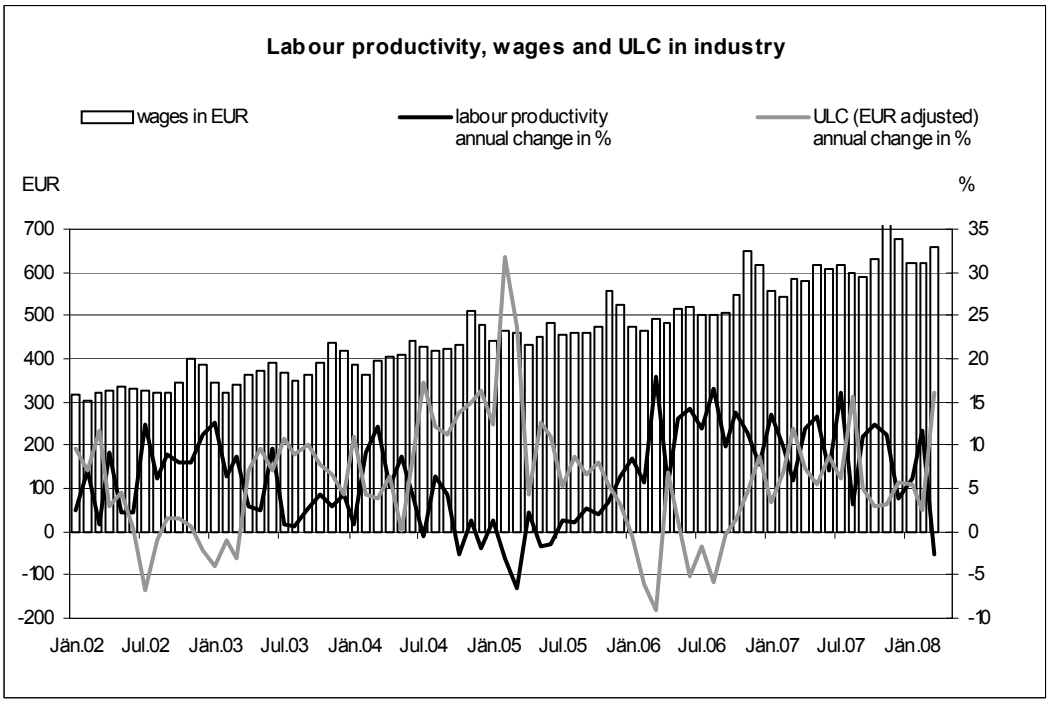




Source: wiiw Monthly database incorporating national statistics.

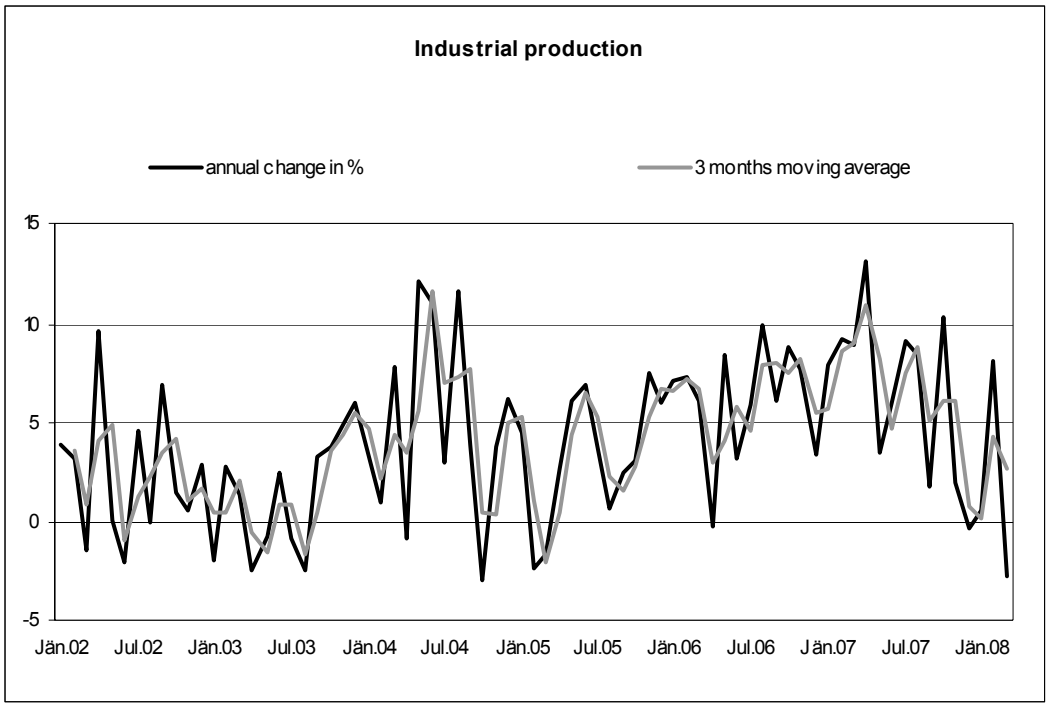
Slovak Republic: Selected monthly data on the economic situation 2002 to 2008

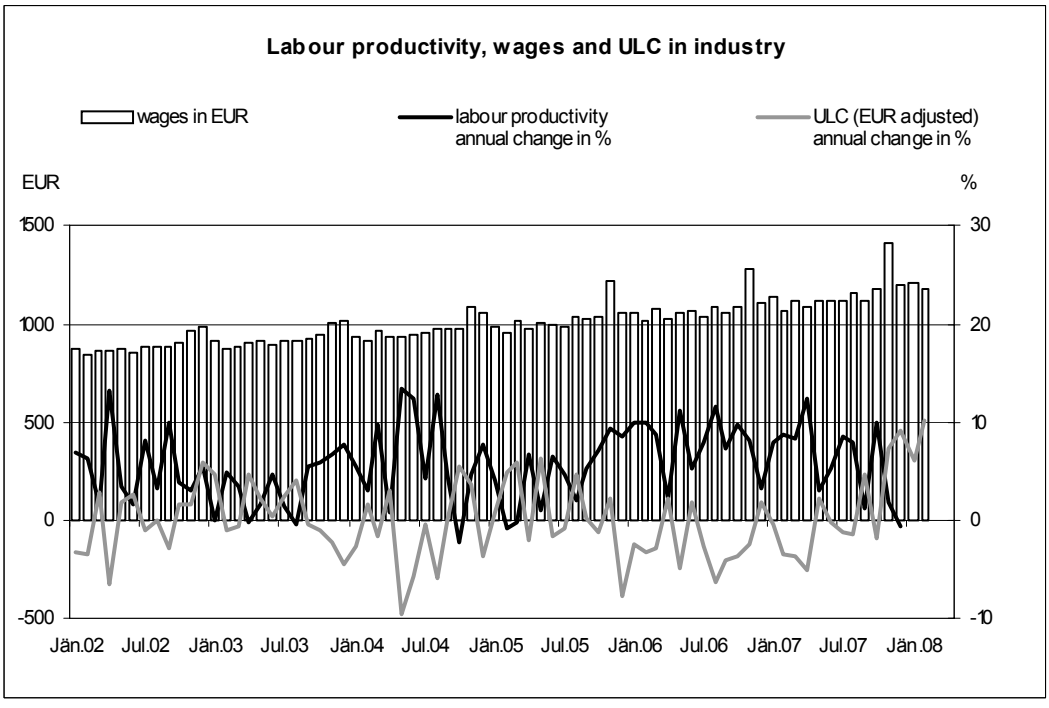




Source: wiiw Monthly database incorporating national statistics.

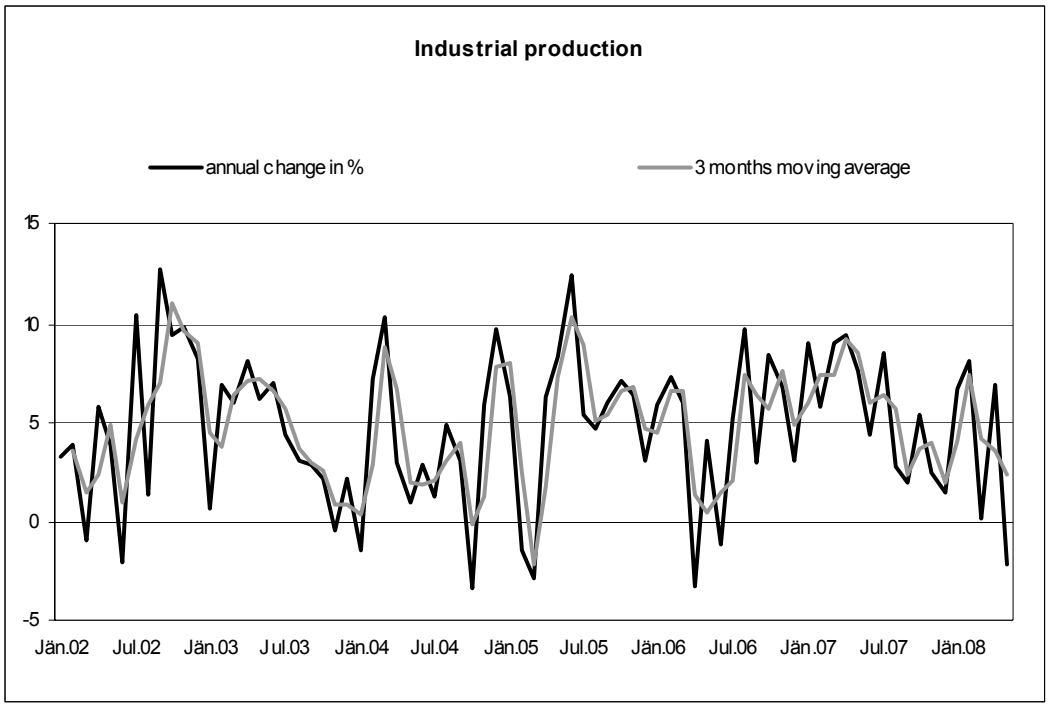
Slovenia: Selected monthly data on the economic situation 2002 to 2008

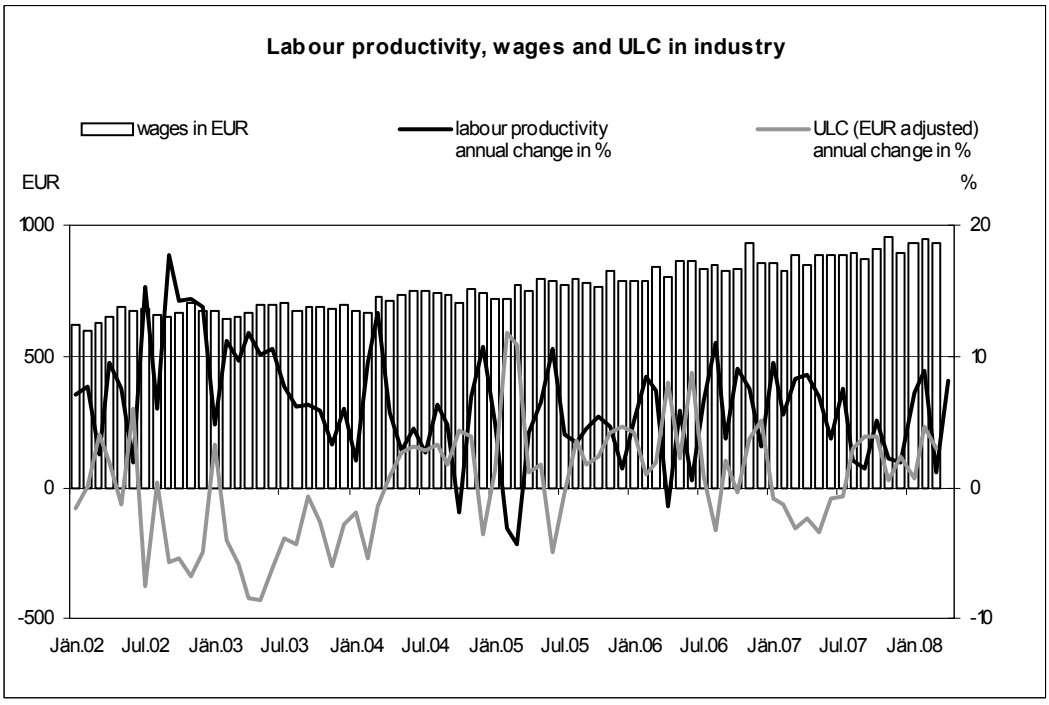




Source: wiiw Monthly database incorporating national statistics.

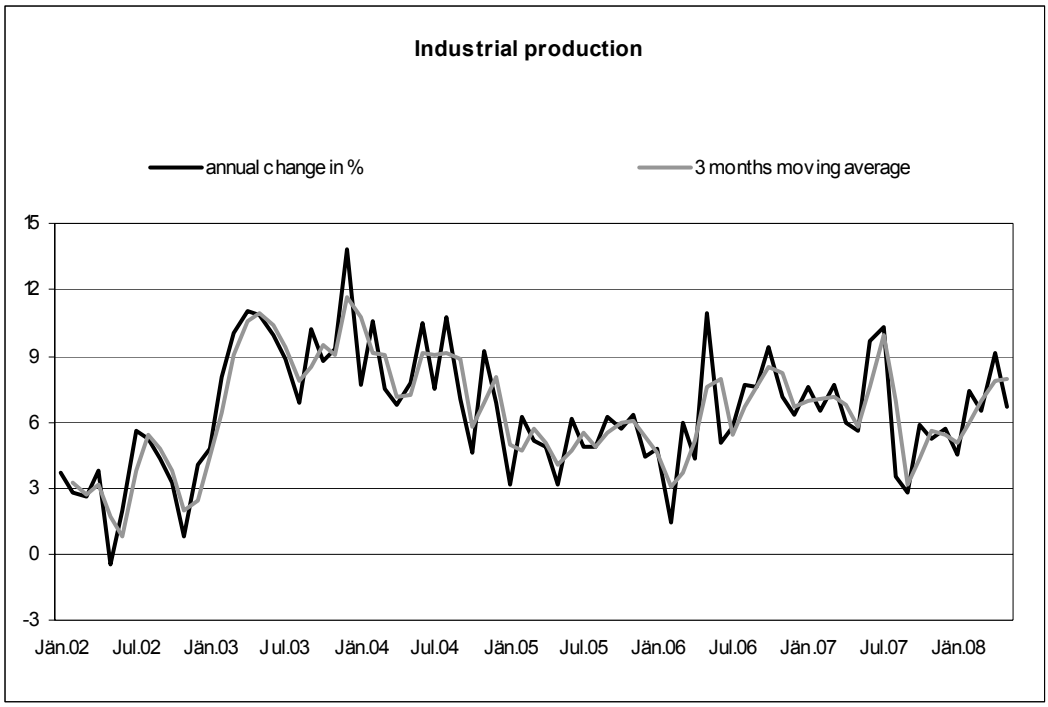
Croatia: Selected monthly data on the economic situation 2002 to 2008

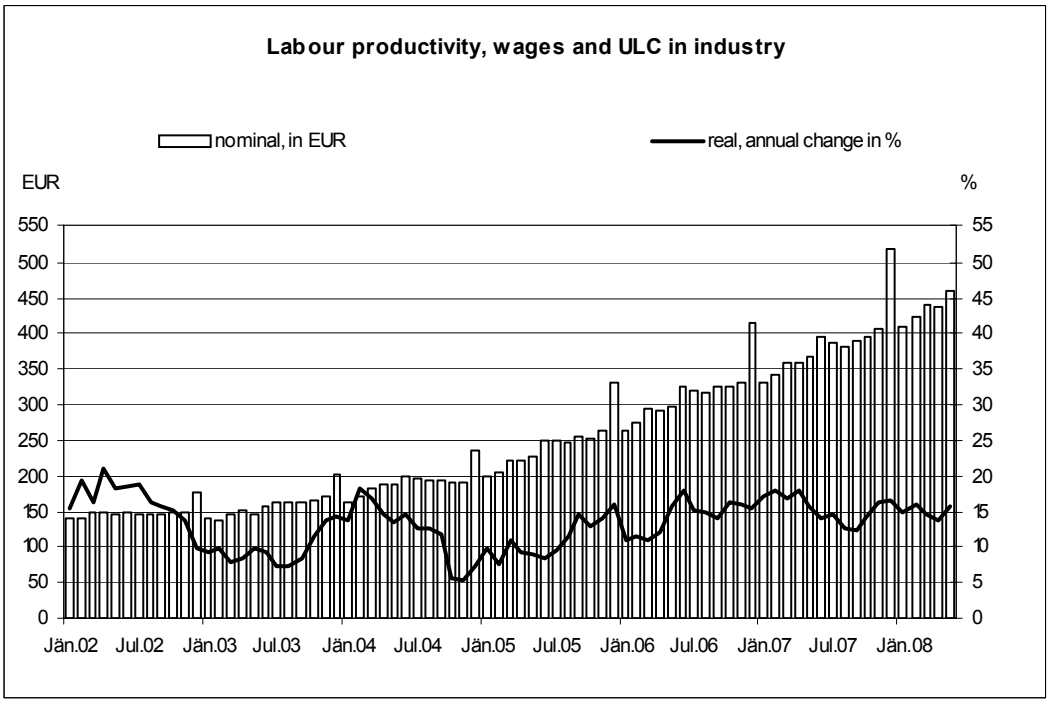




Source: wiiw Monthly database incorporating national statistics.

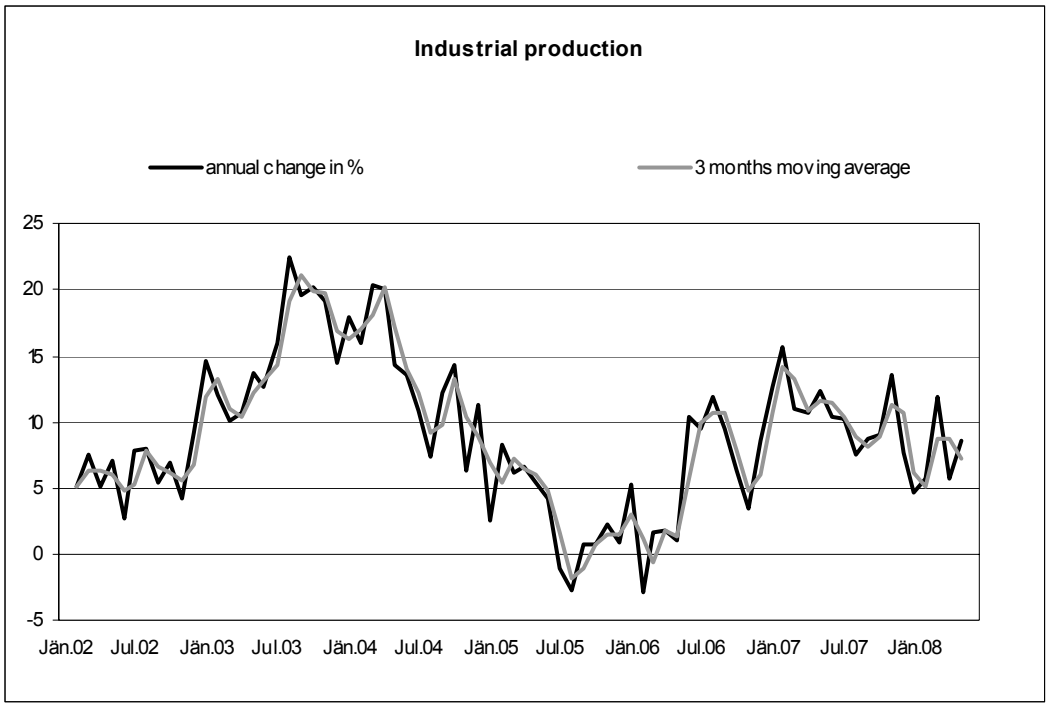
Russia: Selected monthly data on the economic situation 2002 to 2008

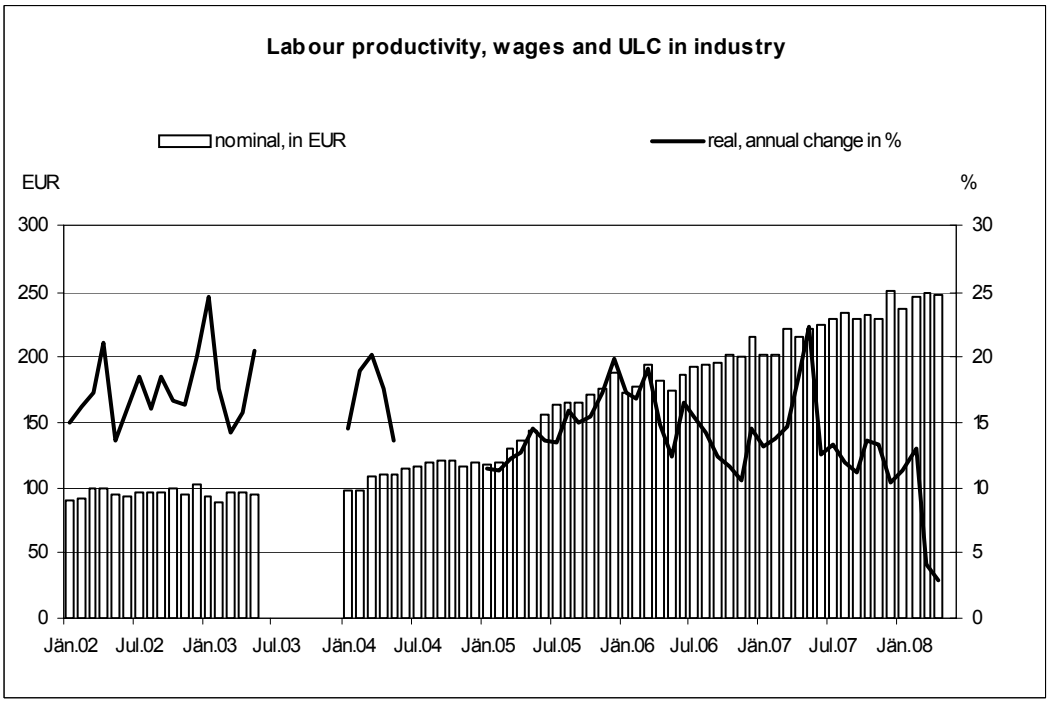




Source: wiiw Monthly database incorporating national statistics.

Ukraine: Selected monthly data on the economic situation 2002 to 2008





Source: wiiw Monthly database incorporating national statistics.

Guide to wiiw statistical services on Central, East and Southeast Europe, Russia and Ukraine

	Source	Type of availability	How to obtain	Time of publication	Price
Annual data	*Handbook of Statistics*	printed	order from wiiw	November 2007	€ 92.00; for Members free of charge
		on CD-ROM (PDF files)	order from wiiw	October 2007	€ 92.00; for Members € 64.40
		on CD-ROM (MS Excel tables + PDF files), plus book	order from wiiw	October 2007	€ 230.00; for Members € 161.00
	individual chapters	via e-mail (MS Excel tables)	order from wiiw	October 2007	€ 37.00 per chapter;
	computerized wiiw Database	online access	via WSR http://www.wsr.ac.at	continuously	€ 2.70 per data series; for Members € 1.90
Quarterly data (with selected annual data)	*Current Analyses and Forecasts*	printed	order from wiiw	February and July	€ 70.00; for Members free of charge
		PDF (online or via e-mail)	order from wiiw	February and July	€ 65.00; for Members free of charge
	Monthly Report (2nd quarter)	printed, PDF (online or via e-mail)	for wiiw Members only	*Monthly Report* nos. 10, 11, 12	only available under the wiiw Service Package for € 2000.00
Monthly data	*Monthly Report*	printed, PDF (online or via e-mail)	for wiiw Members only	*Monthly Report* nos. 2-4, 6-7, 10-12	
	computerized wiiw Database	online access	see http://mdb.wiiw.ac.at	continuously	for Members free of charge
Industrial Database	*wiiw Industrial Database Eastern Europe*	on CD-ROM (MS Excel files)	order from wiiw	June	€ 295.00; for Members € 206.50
	Brief excerpt	printed, PDF (online or via e-mail)	for wiiw Members only	*Monthly Report* no. 1	for Members free of charge
Database on FDI	*wiiw Database on FDI in Central, East and Southeast Europe*	printed	order from wiiw	May	€ 70.00; for Members € 49.00
		PDF (online or via e-mail)	order from wiiw	May	€ 65.00; for Members € 45.50
		on CD-ROM (tables in HTML, CSV and MS Excel + PDF files), plus hardcopy	order from wiiw	May	€ 145.00 for Members € 101.50
	Brief excerpt	printed, PDF (online or via e-mail)	for wiiw Members only	*Monthly Report* no. 8/9	for Members free of charge

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