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IATRC
INTERNATIONAL AGRICULTURAL
TRADE RESEARCH CONSORTIUM

Economic Transition in Central and East Europe, and the Former Soviet Union: Implications for International Agricultural Trade

Von Witzke, H. and S. Tangermann, eds.

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ECONOMIC TRANSITION IN CENTRAL AND EAST EUROPE, AND THE FORMER SOVIET UNION: IMPLICATIONS FOR INTERNATIONAL AGRICULTURAL TRADE

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Preface

The International Agricultural Trade Research Consortium (IATRC), an association of academics and government officials from many countries working on agricultural trade issues, holds a public symposium every summer on varying topics of current interest. The 1997 symposium was devoted to the agricultural trade implications of economic transition in Central and Eastern Europe and the Former Soviet Union. Though most IATRC members are from North America, the decision was appropriately taken to hold the symposium on this particular topic in Europe. The location chosen was Berlin, a city that is unique in being at the cross-roads of East-West relations. The conference was held June 12 – 14, 1997. The composition of participants nicely reflected both the topic and the location of the symposium that successfully allowed economists from the West to meet their colleagues from the East and made it possible for analysts to get together with representatives of political institutions.

The present volume, in which most of the papers presented at the symposium are collected, provides a good, though necessarily selective, survey both of the issues most relevant in agricultural and more general trade relations between the transition economies in the East and their partner countries in the West, and of the types of analysis that economists can bring to bear on these issues. The issues covered range all the way from the fundamental questions raised by the need to reintegrate the formerly centrally planned economies into market-oriented international trade, to the trade implications of agricultural transition in individual countries in Central and Eastern Europe and the Former Soviet Union. Trade relations between East and West in Europe receive particular attention, with a perspective on the impending integration of the countries of Central and Eastern Europe into the European Union. Given the particular location of the symposium, the rapid transition process in East German agriculture since 1990 was, of course, a topic of specific interest.

As far as the nature of analytical approaches is concerned, the spectrum of the papers collected in this proceedings volume ranges all the way from research on economic systems ("Wirtschaftsordnungspolitik"), through empirical studies on political economy to quantitative modeling, in both partial and general equilibrium frameworks. It is therefore probably fair to say that the papers presented in this volume are an excellent demonstration of the wide-ranging nature of issues that interest economists when they deal with current East-West relations in agriculture, and of the state of the art of the analytical tools that they can apply to studying these issues.

Given the wide range of issues covered in the symposium, there is, of course, not one single comprehensive message conveyed by the papers presented in this volume. However, a number of joint concerns emerge from several of the papers. First, the process of agricultural transition in Central and Eastern Europe and the Former Soviet Union is taking longer than originally expected (and hoped). Second, the transition economies have a considerable potential in agriculture, which, however, has not yet been fully exploited because of the lags in the transition process. Third, because of their large potential in agriculture, the countries in

Central and Eastern Europe and the Former Soviet Union can significantly affect the situation on world markets for agricultural products and food once their transition process bears full fruit. Fourth, policies are extremely important in shaping developments on agricultural markets, both in the transition economies and in international trade. Fifth, after a period of strongly market-oriented policies at the start of the transition period, the countries in Central and Eastern Europe are about to make similar mistakes in their agricultural policies as Western countries have made in the past. Sixth, integration of Central and Eastern Europe into the European Union will fundamentally change the co-ordinates of both overall economic development and agricultural markets in the enlarged Union. Finally, in the light of all this there is strong need for further policy adjustments, both in the East and in the West.

In summary, the transition of agriculture in Central and East Europe and the Former Soviet Union represents one of the central changes in world agriculture in several decades. As the organizers of this IATRC symposium we are grateful that so many excellent analysts were prepared to shed light on the nature of these changes, through their written contributions and their participation in the discussions in Berlin.

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Stefan Tangermann

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