

# Contents

**FOREWORD** *xiii*

**CONTRIBUTORS** *xvii*

1. Overview *1*

*Bernard Funck and Lodovico Pizzati*

**Introduction** *15*

2. Introductory Remarks *17*

*Johannes F. Linn*

3. Introductory Remarks *22*

*Georg Fischer*

**Part I Labor Markets in the CEECs: Trends and Issues** *25*

4. Labor Market Trends in Central and Eastern European Countries *27*  
*Hermine Vidovic*

5. The Role of Social Policies and the EU in Labor Reallocation  
in Transition Economies *47*  
*Katherine Terrell and Tito Boeri*

6. The Labor Market in Poland: Current Trends and Challenges 57  
*Michał Boni*
7. Labor Market Trends and Issues in Lithuania 78  
*Rimantas Kairelis*
8. Developments and Current Labor Market Issues in Romania 95  
*Ion Giurescu*
9. The Main Challenges of the Slovenian Labor Market 102  
*Zdenka Kovac, Franci Kluzer, and Alenka Kaizer*
10. Discussant Notes 115  
*Michał Rutkowski*
11. Discussant Notes 118  
*Eva Belabed*

## Part II Lessons from Previous Enlargements 121

12. Employment Policies in Spain (1975–2000): Lessons for Central European Countries Acceding to the European Union 123  
*Juan Jimeno*
13. How Is Germany's Labor Market Coping with Unification? 141  
*Viktor Steiner*

## Part III Spatial Disparities and Labor Mobility 155

14. Poland: Regional Dimensions of Unemployment 157  
*Jan Rutkowski and Marcin Przybyla*
15. Regional Disparities in Unemployment in Central and Eastern Europe: The Case of Hungary 176  
*Károly Fazekas*
16. Lessons from East Germany on Labor Mobility 197  
*Jennifer Hunt*
17. Departure from the Periphery: Reflections on Regional Labor Markets without Borders in Austria 207  
*Christof Schremmer*

18. The European Integration: A Policy toward Stability, Growth, and Employment 215  
*Peter Tempel*

19. Immigration Aspects of European Enlargement 221  
*Rita Suessmuth*

20. Discussant Notes 228  
*Werner Sengenberger*

21. Discussant Notes 232  
*Michael Landesmann*

22. Discussant Notes 235  
*Arvo Kuddo*

## Part IV European Social Model or Eurosclerosis? 241

23. Does Eurosclerosis Matter? Institutional Reform and Labor Market Performance in Central and Eastern European Countries 243  
*Michelle Riboud, Carolina Sánchez-Páramo, and Carlos Silva-Jauregui*

24. Comparative Experience with Labor Market Reform 312  
*Maria Helena André*

25. Discussant Notes 323  
*Georg Fischer*

26. Discussant Notes 326  
*Mária Ladó*

27. Discussant Notes 330  
*Elena Iankova*

28. Discussant Notes 332  
*Andreas Woergoetter*

## Part V When Markets Fail: Preventing Social Exclusion 335

29. Unemployment, Poverty, and Social Exclusion in Central and Eastern Europe 337  
*Ana Revenga*

30. Searching for Solutions to Reduce Social Exclusion in Latvia 343  
*Ruta Zilvere*

31. Social Exclusion and Double Marginalization of the Roma in the Slovak Republic after 1989 355  
*Michal Vašečka and Iveta Radičová*

32. Discussant Notes 374  
*Tom Mulherin*

33. Discussant Notes 380  
*Janis A. Emmanouilidis*

## INDEX 385

## BOXES

23.1 Support to the Unemployed in Selected OECD and EU Accession Countries 253

23.2 Similarities in the Demographics of the Unemployed in the Slovak Republic and Spain 266

23.3 The Importance of Institutions: Job and Worker Flows during Transition in Estonia and Slovenia 280

## TABLES

4.1A Gross Domestic Product 29

4.1B GDP per Capita at Purchasing Power Parity (ECU/EURO) 30

4.2 Population, 1990–2000 32

4.3 Economic Activity Rates in the CEECs, 1996–2000 33

4.4 Employment Rates in the CEECs, 1996–2000 34

4.5 GDP and Employment Growth, 1990–2000 36

4.6 Unemployment Rates Based on Registration Data 39

4.7 Long-Term Unemployment in the CEECs, 1996–2000 41

4.8 Unemployment Rates by Gender, 1996–2000 42

4.9 Youth Unemployment Rates in the CEECs, 1994–2000 43

5.1 Structural Change and Unemployment Dynamics 50

5.2 Earnings Inequality and Nonemployment Benefits in Selected Transition Economies 54

9.1 Basic Indicators of Slovenian Labor Market 104

12.1 Spain's Expenditures on Social Protection 125

12.2 Social Protection Receipts, 1980–98 126

12.3 Structural Funds and Cohesion Funds, 1986–96 129

12.4 Sectoral Composition of Employment in Spain, 1975–99 131