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Government and Markets

Establishing a Democratic Constitutional Order and a Market Economy in Former Socialist Countries

edited by

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Editors' Preface

In August 1992, the newly founded Netherlands Centre for Security and Cooperation in Europe (NCSCE) organized an international conference in Enschede, the Netherlands, on the development of markets and the role of democratic governments in formerly planned economies. At this conference, the authors of the essays in this volume presented their work to an audience of scholars and policymakers from the Baltic countries, Central and Eastern Europe, the U.S.A., Western Europe, as well as representatives of the Organisation for Economic Co-operation and Development (OECD), the International Monetary Fund (IMF) and the European Bank for Reconstruction and Development (EBRD). This volume is based on updated and sometimes significantly revised versions of these presentations.

The generous support of the principal sponsor of this conference and this volume, the Ministry of the Interior of the Netherlands as part of the Program for Cooperation with Eastern Europe, played a decisive role in the success of the conference and the publication of this volume. Support by *De Nederlandse Bank N.V.*, the Board of Governors of the University of Twente, the Faculty of Public Administration and Public Policy of the same university, as well as the Province of Overijssel is also gratefully acknowledged. We are embedded to the Ministry of the Interior and the other sponsors for supporting this effort to understand the complexities and problems of the transformation process from plan to market. Finally, we thank Fenna Pols for her editorial assistance, and Gerri Stender and Jamila Younouss for finalizing the manuscript.

Hendrikus J. Blommestein and Bernard Steunenberg

Foreword

The Netherlands Centre for Cooperation and Security in Europe (NCSCE) was founded in 1991 as a response to the dramatic political and economic changes in Central and Eastern Europe. The principal objective of the NCSCE is to conduct and promote research on the transformation from a planned economy to a market-based democratic society. The transformation is studied from economic, political, legal, and sociological points of view. This multi-disciplinary orientation enables the NCSCE to serve as a focal point for studying in a systematic fashion the relations between the different dimensions of the transformation from plan to market.

The NCSCE also provides training and technical advice to policymakers in formerly planned economies and organizes on a regular basis conferences, seminars, and lectures on the transformation process. In the period 13-15 August, 1992, the NCSCE brought together scholars and policymakers from the Baltics, Central and Eastern Europe, the former USSR, Western Europe, and the U.S.A. as well as representatives of the OECD, IMF, World Bank, European Union and the European Bank for Reconstruction and Development for a conference on 'Democratic Governments and the Transition from Plan to Market.' The conference is part of the NCSCE's commitment to enhance the understanding of the transformation process as well as to contribute to the dialogue with scholars and policymakers from Central and Eastern Europe and the former USSR.

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