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## 0. Introduction

It is not a coincidence that the first topic to be presented within the framework of this technical assistance program for Rumania is national and social accounting. A well-designed and reliable set of national and social accounts is a top priority in all reforming former communist countries in Eastern Europe and the former Soviet Union. Good governance in transition may prove to be impossible without statistics which provide insight in the changing patterns of production, incomes and expenditures.

Although much work has been already done by the National Committee of Statistics, there are still many obstacles on the road to a relevant and modern statistical system. For example:

- the remaining obstacles with respect to the transition from MPS to SNA for the national accounts,
- the inclusion of financial services and capital market transactions in the statistical system,
- the changing structures and components of expenditure and income patterns of households in the transition,
- the development of the private sector which was included to a limited extent only in the old statistical system,
- the negative attitude by firms towards collection of information on private activities by government agencies,
- the problems caused by the transformation of the tax system,
- the liberalisation of foreign trade, requiring new methods of registration,
- the leaving of well-trained specialists to higher paid jobs in the private sector.

Fortunately, on the road to an improved statistical system, there are also positive factors which may help to overcome the obstacles. Among these factors are the competence of statisticians, the long tradition of data collection for public policy, the willingness for change and, last but not least, the strong demand for statistical data by politicians, international institutions, researchers on transition and foreign investors.

In this part of the program, we will try to make a small contribution to the improvement of the statistical system by introducing the SNA system in the context of the Social Accounting approach. We will do so by discussing relevant chapters from the SNA guidelines and SAM literature, giving examples from the practice in the Netherlands and discuss the relevancy for Rumania.

This hand out includes the sheets which were presented during the sessions. In the hand out UPPERCASE LETTERS in sections 2, 3, 4 and 5 refer to the text on the sheets as they were presented. Lower case letters give the additional comments made to the sheets during the presentations. In addition to the handout, there is a manual which includes some relevant literature in the field of national and social accounting.

Fred Lafeber

# **P R O G R A M**

ACE JOINT WORKSHOP, BUDAPEST, MAY 15-16

## **FRIDAY**

8:20 AM

Departure from the hotel

### **Session 1.: Issues and Problems Related to the Economic Transformation**

Chairman: Ernő Zalai

9:00 - 10:15 AM

Zsolt Ámon: Short-term prognoses for economic policy in the changing environment

Paul Hare: Overview of the first phase of the transformation process

Discussion

10:15 - 10:45 AM Coffee break

10:45 - 12:15 PM

Homa Motamen-Scobie: Timing of entry into the European Community

Tamás Révész: Taxes and subsidies in the transforming Hungarian economy

Discussion

12:30 - 14:00 PM Lunch

### **Session 2.: Social Accounting Matrix and its Uses in Economic Analysis**

Chairman: Paul Hare

14:00 - 15:30 PM

Issues related to the compilation and use of SAMs in former centrally planned economies

Solomon Cohen, Fred Lafeber, Harry de Haan, Leslaw Zienkowski, Tamás Révész

15:30 - 16:00 PM Coffee break

16:00 - 17:00 PM

cont. and general discussion

19:00 PM

Dinner given by Dr. Zsolt Ámon, Head of Main Department, Ministry of Finance

## Enclosure C: Research seminars organized in August 1992 in Rotterdam

Research seminars consisted of a 2-3 hours presentation and discussion of pending research of the partner involved.

Wednesday August 5: L. Zienkowski (Poland)  
*Economic indicators for Poland*

Thursday August 6: E. Zalai (Hungary)  
*Economic indicators for Hungary*

Friday August 7: V. Dumitrescu (Rumania)  
1) *Economic indicators for Rumania*  
2) *Construction of Social Accounting Matrix for Rumania*

Friday August 7: H. van Miltenburg (Netherlands)  
*Reviewing adjustment policies in the Netherlands*

Thursday August 13: T. Revesz (Hungary)  
*The flow of funds for Hungary 1990*

Friday August 14: V. Aliakova (Bulgaria)  
1) *Economic indicators for Bulgaria.*  
2) *Liberalization of foreign trade in Bulgaria*

Monday August 24: S.I. Cohen (Netherlands)  
*Methodological remarks with respect to SAM and modelling of foreign trade*

Tuesday August 25: J. Husar (Slovakia)  
1) *The economic situation in (Czecho)Slovakia.*  
2) *Outline of ACE research Bratislava group.*

Tuesday August 25: E. Zalai (Hungary)  
*Outline and some results of ACE research Hungary*