

Contents

<i>List of tables</i>	vii
<i>List of figures</i>	viii
<i>Preface</i>	ix
<i>Acknowledgements</i>	xi
1 Introduction	1
1.1 What is transition?	1
1.2 The historical background and goals of transition	2
1.3 The changing field of transition economics	4
2 The Soviet blueprint	9
2.1 The Soviet experience	9
2.2 The spread of Stalinist economies	14
2.3 The classical Soviet-type economy	16
2.4 Variants on the Soviet model	20
2.5 The theory of planned economies	24
2.6 The end of Soviet-type central planning	26
3 Elements of transition	30
3.1 Price reform and trade policy	31
3.2 Macroeconomic policy	35
3.3 Enterprise reform	46
3.4 Financial reform	57
3.5 Labour markets	60
3.6 Social policies	62
3.7 Priorities and pitfalls	67
4 Performance	76
4.1 Inflation	78
4.2 Output	85
4.3 Income distribution and poverty	100
4.4 Determinants of performance	103
5 Creating a market economy	107
5.1 The quality of institutions	108

5.2	Institutional success and failure	113
5.3	The role of foreign aid, multilateral institutions, and external advisers	120
5.4	Dynamics and uncertainty	123
6	Conclusions	127
	<i>References</i>	134
	<i>Index</i>	149