



Review of Economies in Transition

Idäntalouksien katsauksia

1996 • No. 3

26.4.1996

Reprint in PDF format 2002

Niina Pautola

Intra-Baltic Trade and Baltic Integration

Bank of Finland
Institute for Economies in Transition, BOFIT

ISSN 1235-7405
Reprint in PDF format 2002

Bank of Finland
Institute for Economies in Transition (BOFIT)

PO Box 160
FIN-00101 Helsinki
Phone: +358 9 183 2268
Fax: +358 9 183 2294
bofit@bof.fi
www.bof.fi/bofit

The opinions expressed in this paper are those of the authors and do not necessarily reflect the views of the Bank of Finland.

Niina Pautola

Intra-Baltic Trade and Baltic Integration

Abstract

Up to the end of 1991, more than 90 % of Baltic trade was conducted with other parts of the Soviet Union, where trade was organized not on the basis of voluntary exchange but strictly guided by Moscow. The subsequent collapse of central planning caused widespread disruption in trade and financial links. Nevertheless, the Baltic countries, to a certain extent, retained their strong dependence on trade with Russia and other states of the former Soviet Union, and as a result saw their terms of trade decrease by 10-15 % of GDP. Further, they experienced high inflation, dramatic output declines, shortages of goods and raw materials, and dysfunctional payment and monetary arrangements. To correct this situation and avoid prolonged economic difficulties, Baltic trade links with the West were restored, as well as economic relations among the Baltic nations themselves.

From the trade policy point of view, Estonia followed the most liberal course by eliminating trade restrictions altogether. Latvia and Lithuania have favoured more protectionist policies. Estonia and Latvia have consistently strived to boost their trade with the West, while Lithuania still maintains stronger trade relations with Russia.

Despite the fact that the Baltic countries have a free trade agreement and numerous actions have been taken to promote intra-Baltic trade links, current problems at macro- and microeconomic level as well as trade policy differences constitute major obstacles to trade creation and greater cooperation among the Baltic states. Further, the smallness of the Baltic market and the general sameness of tradeable products tend to limit the possibilities for intraregional trade. As a consequence, growth in intraregional trade has remained quite modest.

Keywords: foreign trade, integration, Baltic countries

Introduction

Up to the end of 1991, more than 90% of the trade conducted by the Baltic states had been within the former Soviet Union. Trade was organized not on the basis of voluntary exchange, but strictly guided by Moscow. Coinciding with the collapse of the Soviet state, the eventual collapse of centrally planned trade in 1990-91 caused widespread disruptions in trade and financial links. The suddenly independent Baltic countries, in particular, had experienced a much more serious deterioration in trade than did their other Eastern European counterparts. In all Baltic countries, the terms of trade decreased by 30-40 %, ie 10-15 percent of

GDP.¹In addition to the terms of trade decline the Baltic nations experienced high inflation, dramatic output declines, shortages of goods and raw materials and disfunctionality in payment and monetary arrangements. These circumstances called for rapid action to avoid prolonged economic difficulties. The Baltic stabilization and reform programmes were built on common cornerstones. Democracy, currency reform and liberalization of prices, were all seen as essential to restoring sovereign states in Estonia, Latvia and Lithuania. Since independence, however, the Baltic countries have displayed

¹ In Poland and Hungary the terms of trade shock in 1991 was between 3-5.5 per cent of GDP. See Tarr (1993) and Rodrik (1992).

notable differences in trade policies. In Estonia, trade policy has always been more liberal compared to other Baltic states. The main principals have been an open trade with strong external competitiveness. Estonia has had practically zero duties, whereas Latvia, and most of all Lithuania, have been in favour of more protectionist policies.

This article focuses on the development of intra-Baltic trade since 1991; analyzing changes in the amount and composition of trade between three Baltic countries since independence. The collected trade data covers approximately the period 1991 - 1995. Detailed trade values, trade shares and the composition of the intra-Baltic trade are presented in tables. In addition, Baltic countries' trade shares with Russia are presented. The article also discusses the Baltic Free Trade Agreement and its effects on intra-Baltic trade. The final objective is to discuss other areas of Baltic cooperation.

One disclaimer needs to be made: Changes in the values and commodity structures of the intra-Baltic trade are difficult to analyze because of the incompleteness and often non-comparability of the data available from national sources. This, however, does not preclude the validity of general observations on intra-Baltic trade.

1 Intra-Baltic trade 1991-1995

1.1 Estonia

The foreign trade statistics are based on the foreign trade statistics of the Statistical Office of Estonia, which in turn are based on the recommendations of the United Nations Statistical Commission and Eurostat. All commodities crossing the Estonian border from outside are treated as imports regardless of whether they are meant for the domestic market, re-export or temporary storage in customs warehouses. All commodities going out across the Estonian Customs border are treated as exports. Exports and imports are valued at the Estonian border: exports at f.o.b. values and imports at c.i.f. values. Trade data for 1991 and 1992 are based on the reports submitted by enterprises; the prices of goods in thousand of roubles have been recalculated into Estonian kroons at the rate of 10 roubles = 1 kroon. Since July 1, 1992, foreign trade data are based on customs declarations.

Up to the end of 1991, the trade of Estonia was guided by the Soviet planning system. On the

basis of the received data, in 1991, Estonia's total export amounted to over 510 million kroons. The most important trading partner was obviously Russia with the share of 56.5 % of the total Estonian export. Intra-Baltic trade figures were very modest. Latvia's share was 7.7 % and the share of Lithuania was 3.8 % of the total Estonian export. The main products exported to Latvia were mineral products (40%), textiles (20%) and chemical products (18%). Export to Lithuania consisted of textiles (32%), chemical products (23%) and manufactured goods (8%). Respectively, the total Estonian import in 1991 amounted to over 445 million kroons. Russia's share of imports was again high, 45.9 percent, while the shares of Latvia and Lithuania were only 5.1 and 6.3 percent of the total Estonian import. The main products imported from Latvia were textiles (26%), prepared foodstuffs (14%) and chemical products (12%). Import from Lithuania mainly consisted of textiles (35%), mineral products (25%) and machinery (8%).

After 1992, commodity exchange reoriented to the west. Both export to and import from Russia declined drastically, amounting only to about 20 percent of the total Estonian export and import. Furthermore, trade with the other Baltic states was maintained at rather low level: From 1991 up to late 1995, Estonian exports to Latvia have varied between 7.6 and 10.6 percent of total Estonian exports. During the same period, the export share of Lithuania has varied between 1.5 and 5.4 percent of the total Estonian export. Trade reorientation towards the west can be seen, even more clearly, from the import statistics. In five years, Estonian import from Latvia has declined from 5.1 to 2 percent and import from Lithuania from 6.3 to 1.6 of the total Estonian import. Not only has Estonia's trade stagnated with the other Baltic states, but no other significant changes have taken place in the product composition of trade. Trade has consisted mainly of mineral products, chemical products, textiles, processed foodstuffs and machinery.

From 1991 up to November 1995 the total value of Estonian export increased to 19.4 billion kroons and import to 26.4 billion kroons. Estonian exports to Russia were 17.5 percent of total exports, while imports from Russia represented 16 percent of the total. Exports to Latvia amounted to 7.6 percent of total exports, while the share of imports from Latvia was 2 percent. Respectively, export to Lithuania amounted to 4.6 percent of the total Estonian exports, while 1.6 percent of the to-

Table 1 Exports from Estonia 1991-1995 (million kroons, %)

	1991	1992	1993	1994	Jan-Nov 1995
Total	510.2	5 548.6	10 638.5	16 937.7	19 364
%	(100)	(100)	(100)	(100)	(100)
Russia	288.4	1 156.0	2 408.5	3 914.6	3 381
%	(56.5)	(20.8)	(22.6)	(23.1)	(17.5)
Latvia	39.2	587.0	913.8	1 392.7	1 476
%	(7.7)	(10.6)	(8.6)	(8.2)	(7.6)
Lithuania	19.3	84.4	394.9	918.4	899
%	(3.8)	(1.5)	(3.7)	(5.4)	(4.6)

Table 2 Imports to Estonia 1991-1995 (million kroons, %)

	1991	1992	1993	1994	Jan-Nov 1995
Total	445.4	5 127.7	11 831.0	21 535.3	26 355
%	(100)	(100)	(100)	(100)	(100)
Russia	204.5	1 456.9	2 033.3	3 620.0	4 304
%	(45.9)	(28.4)	(17.2)	(16.8)	(16.3)
Latvia	22.6	87.5	267.4	313.1	521
%	(5.1)	(1.7)	(2.3)	(1.5)	(2.0)
Lithuania	28.2	185.8	391.0	553.5	425
%	(6.3)	(3.6)	(3.3)	(2.6)	(1.6)

Table 3 Exports from Estonia by main commodity groups 1991-1995 (%)

	1991	1992	1993	1994	Jan-Sep 1995
Latvia	mineral products (40)	mineral products (74)	mineral products (34)	chemical products (22)	chemical products (26)
	textiles (20)	chemical products (13)	prepared foodstuffs (21)	mineral products (20)	mineral products (14)
	chemical products (18)	textiles (3)	chemical products (8)	prepared foodstuffs (17)	prepared foodstuffs (9)
Lithuania	textiles (32)	textiles (21)	prepared foodstuffs (21)	prepared foodstuffs (29)	
	chemical products (23)	chemical products (19)	machinery (15)	chemical products (18)	
	manufactured products (8)	machinery (14)	vehicles (13)	machinery (11)	

Table 4 Imports to Estonia by main commodity groups 1991-1995 (%)

	1991	1992	1993	1994
Latvia	textiles (26)	textiles (30)	base metals (26)	chemical products (16)
	prepared foodstuffs (14)	prepared foodstuffs (11)	textiles (18)	textiles (14)
	chemical products (12)	machinery (9)	mineral products (12)	machinery (10)
Lithuania	textiles (35)	mineral products (63)	mineral products (66)	mineral products (48)
	mineral products (25)	textiles (10)	textiles (9)	textiles (11)
	machinery (8)	machinery (5)	machinery (5)	chemical products (9)

tal Estonian imports came from Lithuania.

1.2 Latvia

The foreign trade data are compiled on the basis of data taken from customs declarations and statistical surveys. The following trade flows are included in the foreign trade turnover. Total exports include goods destined for sale abroad, goods transported to foreign countries for processing conditional on subsequent reimportation, goods exported after having undergone transformation during processing and re-exports; i.e. exports of goods previously imported for domestic consumption. Total imports include goods entering Latvia for sale on the domestic market, goods imported for processing under the obligation of subsequent re-exportation, goods imported after having undergone transformation during processing in a foreign country and goods entering Latvia from customs warehouses. Both exports and imports are valued at the Latvian border at f.o.b. values.

In general, it can be said that Latvian trade reorientation towards the west has not been as radical as in Estonia. Trade share of Russia has not declined much and trade shares of the Baltic states have been increasing during the period in question. In 1992, the total value of Latvian exports amounted to 577 million lats. One year later, the total value of Latvian exports increased to 702 million lats then declined in 1994 to 571 million lats. In 1995, the total value of exports for year was 688 million lats. In five years, the export share of Russia has varied between 25 and 29 percent of

the total Latvian export. Another fact reflecting Latvia's slower trade reorientation towards the west is seen in the trade increase with the other Baltic states. In 1992, the export shares of Estonia and Lithuania were 1.3 and 3.5 of the total Latvian exports, whereas, in 1995, export shares were 3 and 5.5 of total Latvian exports respectively. In addition, there have been some changes in the product composition of the trade. In 1992 and 1993 Latvian exports to Estonia mainly consisted of footwear, mineral products and machinery, whereas, in 1994 and in 1995 the main products exported to Estonia were chemical products, prepared foodstuffs, textiles and base metals. Similarly, the product composition of exports to Lithuania has changed from textiles, transport vehicles and foodstuffs to textiles, chemical products and machinery.

The total value of Latvian import has been increasing during the period in question. In 1992 the value of imports amounted to 543 million lats, whereas in 1994 it amounted to 700 million lats and in 1995 to 923 million lats. From 1992 up to 1995 Latvia's imports from Russia has varied between 22 and 28 percent of total Latvian imports. Furthermore, imports from Estonia have decreased slightly from 6.3 to 5 percent of the total Latvian import, whereas import share of Lithuania has, on the other hand, moderately increased from 3.1 to 5.7 percent of the total Latvian import. Finally, the main import products have been mineral products, chemical products, machinery and textiles.

Table 5 Exports from Latvia 1992-1995 (thousand lats, %)

	1992	1993	1994	1995
Total	576 876	701 601	571 078	688 413
%	(100)	(100)	(100)	(100)
Russia	148 737	200 105	155 719	174 386
%	(26)	(28.5)	(28.1)	(25.3)
Estonia	7 557	13 060	14 360	21 429
%	(1.3)	(1.8)	(2.6)	(3.1)
Lithuania	20 711	28 870	30 694	38 148
%	(3.5)	(4.1)	(5.6)	(5.5)

Table 6 **Imports to Latvia 1992-1995** (thousand lats, %)

	1992	1993	1994	1995
Total	543 340	647 469	700 121	923 384
%	(100)	(100)	(100)	(100)
Russia	150 825	181 941	164 178	199 726
%	(27.7)	(28)	(23.6)	(21.6)
Estonia	34 667	25 249	24 412	47 289
%	(6.3)	(3.8)	(3.5)	(5.1)
Lithuania	17 028	61 228	41 243	52 790
%	(3.1)	(9.4)	(6.0)	(5.7)

Table 7 **Exports from Latvia by main commodity groups 1993-1995 (%)**

	1993	1994	1995
Estonia	footwear (20)	chemical products (15)	chemical products (18)
	mineral products (12)	prepared foodstuffs (13)	prepared foodstuffs (17)
	machinery (12)	textiles (12)	base metals (15)
Lithuania	textiles (18)	textiles (21)	textiles (22)
	transport vehicles (13)	chemical products (15)	chemical products (19)
	foodstuffs (12)	machinery (11)	machinery (10)

Table 8 **Imports to Latvia by main commodity groups 1993-1995 (%)**

	1993	1994	1995
Estonia	mineral products (64)	mineral products (42)	mineral products (28)
	transport vehicles (10)	chemical products (12)	chemical products (12)
	chemical products (6)	machinery (7)	base metals (9)
Lithuania	mineral products (74)	mineral products (53)	mineral products (48)
	chemical products (4)	chemical products (11)	chemical products (14)
	textiles (3)	machinery (4)	machinery (7)

1.3 Lithuania

The foreign trade statistics are based on the information collected by customs authorities in conjunction with imports and exports of goods. Exports cover all goods exported from Lithuania, including exports of previously imported goods in free circulation and exports of goods from customs warehouses. Imports covers goods declared for home use, temporary imports of goods for domestic processing and imports to bonded warehouses.

As in the other Baltic countries, the commodity exchange of Lithuania was organized by the Soviet system up to the end of 1991. In general, it can be seen from the trade data that Lithuania's trade reorientation towards west has been the most moderate compared to that of its Baltic neighbours. This can be partly explained by the fact that Lithuania has always been the most conservative in its political and economic decision making. After independence, Russia continues to hold a strong position in Lithuanian foreign trade, due to historical relations and its geographical proximity. Since 1992, the export share of Russia has varied between 33 and 20 percent of total Lithuanian exports. Respectively, Lithuanian imports from Russia has varied between 29 and 58 percent of the total. Another fact reflecting Lithuania's slow reorientation of trade to the west is that since 1992, trade, both with Estonia and Latvia, has increased. From 1992 up to 1995 Lithuanian export to Estonia has increased from 1.4 to 2.2 percent of total Lithuanian exports. Exports to Latvia have also increased from 4.5 up to 7.1 percent of total Lithuanian exports. The same upward trend can be seen in imports. In 1992 Lithuanian imports from Estonia were 0.6, whereas in 1995 they were 2 percent of total Lithuanian imports. Similarly, imports from Latvia have increased from 2.3 to 3.6 percent of the total during the period in question. Finally, no significant changes have occurred in the product composition of the trade with the other Baltic countries. The trade has mainly consisted of mineral products, chemical products, machinery and textiles.

In 1992, the total value of Lithuanian export amounted to 108 billion roubles. Russia's share was 31.8 percent, while exports to Estonia and Latvia were 1.4 and 4.5 percent of total Lithuanian exports. The main products exported to Estonia were crude oil (40%), chemicals (10%) and textiles (9%). Exports to Latvia mainly consisted of

crude oil (40%), natural gas (15%) and electrical machinery (7%). Lithuanian imports during the same year amounted to 77 billion roubles. Imports from Russia were 57.7 percent of the total. Imports from Estonia and Latvia amounted to only 0.6 and 2.3 percent of the total Lithuanian import. The main products imported from Estonia were perfumes (12%), chemicals (12%) and dyes (12%). Respectively, imports from Latvia consisted of textiles (17%), electricity (15%) and transport equipment (10%).

During 1995, total Lithuanian exports had increased to 10.8 billion litas. The share of export to Russia was 20.4 percent of the total. Export share of Estonia had increased to 2.2 percent and Latvian exports to 7 percent of total Lithuanian exports. The total value of imports amounted to 12 billion litas. Import share of Russia amounted to 29 percent of the total. Respectively, imports from Estonia had increased to 2 and import from Latvia to 3.6 percent of the total Lithuanian import.

We have now covered the basic trade data concerning intra-Baltic trade since 1991. Next we discuss the Baltic Free Trade Agreement, its background and its effects on intra-Baltic trade in general and, finally, other forms of Baltic cooperation.

2 The Baltic free trade agreement and Baltic cooperation

2.1 The Baltic free trade agreement

During the Soviet era, the need for economic cooperation between the Baltic countries had been minor because there was little trade dependence. Since independence, all Baltic countries have actively sought wider economic relations with the west. Consequently, it was also time to restore the relations between Baltic nations themselves.

One example of increased economic cooperation was the signing of the Free trade Agreement between Estonia, Latvia and Lithuania on September 13, 1993 in Tallinn. The agreement came into force in April 1994. The aim of the free trade agreement was to encourage inter-Baltic trade and closer economic relations in other areas of mutual interest. The main goals for all three countries were to increase productivity and financial stability, to improve living standards and to encourage economic growth in the Baltic nations. The ag-

Table 9 **Exports from Lithuania 1992-1995** (million roubles 1992, million litas 1993-1995, %)

	1992	1993	1994	1995
Total	107 754.4	8 707.0	8 077.2	10 791
%	(100)	(100)	(100)	(100)
Russia	34 327.4	2 884.7	2 280.4	2 203
%	(31.8)	(33.1)	(28.2)	(20.4)
Estonia	1 535.2	218.8	295.7	241
%	(1.4)	(2.5)	(2.5)	(2.2)
Latvia	4 847.1	635.7	682.0	765
%	(4.5)	(7.3)	(8.4)	(7.1)

Table 10 **Imports to Lithuania 1992-1995** (million roubles 1992, million litas 1993-1995, %)

	1992	1993	1994	1995
Total	77 142.8	9 798.0	9 355.5	12 039
%	(100)	(100)	(100)	(100)
Russia	44 520.4	5 256.6	3 672.6	3 501
%	(57.7)	(53.7)	(39.3)	(29.1)
Estonia	443.8	77.8	150.9	241
%	(0.6)	(0.8)	(1.6)	(2.0)
Latvia	1 747.2	143.4	254.9	431
%	(2.3)	(1.5)	(2.7)	(3.6)

Table 11 **Exports from Lithuania by main commodity groups 1992-1995 (%)**

	1992	1994	1995
Estonia	petroleum (40)	mineral products (36)	textiles (16)
	chemicals (10)	chemical products (11)	mineral products (13)
	textiles (9)	textiles (10)	live animals and animal products (12)
Latvia	petroleum (40)	mineral products (52)	mineral products (34)
	natural gas (15)	chemical products (15)	chemical products (23)
	machinery (7)	machinery (5)	machinery (6)

Table 12 Imports to Lithuania by main commodity groups 1992-1995 (%)

	1992	1994	1995
Estonia	perfumes (12)	chemical products (22)	chemical products (20)
	chemicals (12)	machinery (12)	mineral products (15)
	dyes (12)	prepared foodstuffs (12)	machinery (12)
Latvia	textiles (17)	mineral products (37)	mineral products (33)
	electricity (15)	textiles (13)	chemical products (14)
	transport equipment (10)	machinery (12)	textiles (11)

reement created a free trade zone with more than 8 million consumers and was considered important both for local Baltic industries and prospective investors who would find it easier to identify markets for their goods and services. In addition to expectations of increasing the volume of exports and imports, the free trade agreement was expected to increase competition and efficiency, and add to the quality of products.

To summarize, the agreement itself is a document of 200 pages and technically similar to the agreement signed with EFTA. It does not, however, apply to agricultural raw materials or processed agricultural products. As a consequence, a separate agreement on these goods considered traditionally as "sensitive" has been necessary. It has, indeed, been one of the most difficult areas of cooperation due to the different trade policies practised by the Baltic countries. Estonia has been the most liberal with no trade restrictions, whereas, Latvia and Lithuania have both favoured more protectionistic policies.

The Baltic free trade agreement applies only to goods meeting the criteria of rules of origin. This means that a certain amount of manufacturing or processing is needed, before a product is granted tariff-free status. In addition, since the agreement came into force, no new customs duties on imports or exports (tariffs) have been introduced by any of the three parties. Similarly, no new quantitative restrictions or quotas on imports or exports have been implemented by any of the parties. There are, however, some exceptions, relating to export restrictions. These limitations are justified by the need of respective countries to restrict exports of raw materials that can be used in

domestic industries. In other words, the aim has been to encourage manufacturing industries and to provide domestic industries with local raw materials. Furthermore, although generally all administrative restrictions on trade have been abolished according to the agreement, there might be cases when, due to national security, public policy or serious market disturbance, a government has to take measures to prevent the trade volumes from exceeding levels that threaten its economy with serious harm. Although the agreement is called a free trade agreement, the treaty also regulates intellectual property rights and describes the competition rights and obligations of the parties. The agreement lays down the provisions of customs cooperation and exchange of information between all three parties. One important implication of this is that raw materials produced in one Baltic country and further processed in any other will qualify for "Baltic origin" status when exported to EFTA countries. In this way, the agreement not only has enlarged the trade possibilities in the Baltic region, but also given wider possibilities to the Baltic exporters in the EFTA markets while making these exports more profitable (Pallum 1994).

Returning to the intra-Baltic trade data, it can be seen that since the Baltic Free Trade Agreement came into force (1994), increases in trade between Baltic countries have not been as great as originally hoped. Estonian import from Latvia has increased slightly from 1.5 to 2.0 percent. In addition, Latvia has increased its imports from Estonia from 3.5 to 5.1 percent. Furthermore, Lithuanian imports from the other Baltic countries has moderately increased. Import from Estonia

rose from 1.6 to 2.0 percent, whereas imports from Latvia rose from 2.7 to 3.6 percent of total Lithuanian imports. Concerning export figures, only Latvian exports to Estonia have increased slightly since the free trade agreement. From 1994 to 1995 Latvian export to Estonia increased from 2.6 to 3.1 per cent.

Despite of efforts to increase intra-Baltic trade and economic well being in the Baltic countries through a free trade agreement, there have been several factors both limiting and preventing this development. Presently, the most significant impedences to Baltic cooperation are macroeconomic and microeconomic trade barriers in the Baltic region. From the macroeconomic point of view, the existing trade barriers include shortcomings in infrastructure, underdeveloped transport and telecommunication systems, a poorly functioning banking system and the instability of the legal environment. The main microeconomic trade restraints are a lack of managerial skills, unavailability of credit, poor access to business information and problems with the range and quality of production. To promote future trade in the Baltic region, these macro- and microeconomic problems will eventually need to be solved.

2.2 Baltic cooperation

In addition to the Baltic Free Trade Agreement, Baltic countries have tried to promote intra-regional cooperation in other areas of mutual interest. In general, the "Declaration of Agreement and Cooperation" signed by all three Baltic states in May 1990 can be considered the beginning of Baltic cooperation. It was also the origin of the "Baltic States Council". The Council adopted over 40 important political resolutions during 1990 and 1991, which led to the international recognition of the Baltic states. It also helped to coordinate the Baltic states' positions in relation to the then still existing Soviet Union. During 1990 and 1991 the Baltic states' foreign ministries' permanent work group and the parliamentary committee meetings were formed. The Baltic Assembly, which can be considered the beginning of a new cooperation stage, held its first meeting in January 1992. It was an inter-parliamentary consulting and coordinating institution which was formed to discuss questions and projects of mutual interest. It can be said, however, that after the independence and the formation of governments in all three Baltic states,

perhaps the most important forms of cooperation have been meetings of Baltic prime ministers. For example, some of the most important cooperation goals agreed on include the cooperation of the Baltic states in the formation of a unified energy policy and in the struggle against crime and illegal immigration. Furthermore, the aim has been to secure the working of the Baltic free trade agreement and, finally, to coordinate policies with regard to common security.

During 1995, cooperation has been most active in the areas of transportation, legislation, common security and trade. For example, in February 1995, the heads of governments of Estonia, Latvia and Lithuania adopted the Baltic Council of Ministers' action plan for 1995 and resolutions on the Via Baltica roadlink and the Baltic Customs Union. The action plan envisaged activities that are important for mutual contacts in areas such as defence, environmental protection and harmonization of laws. Furthermore, the Via Baltica roadlink can be described as one of the priority spheres for Baltic cooperation whose implementation requires uniform transit rules and customs formalities. Finally, the Baltic Customs Union, which is planned to be established by Jan 1, 1998, aims at streamlining the movement of goods and services between the Baltic states.

Through 1995, Baltic states actively discussed formation of a common defence union as well as free trade in agricultural products. In June 1995, the foreign ministers of Estonia, Latvia and Lithuania signed an agreement on visa-free travel, and a month later the Baltic states' environmental protection ministers signed a trilateral agreement on cooperation in environmental protection. In October 1995, Baltic border guards signed a cooperation plan for 1996, and in December, the Baltic Assembly adopted 14 different resolutions. Most important among the resolutions was a document on Baltic defence cooperation which says the Baltic Council of Ministers should take additional measures to step up security and defence cooperation and make preparations for a Baltic defence treaty. The assembly also adopted a resolution on the resolving of discords between the Baltic countries. Other resolutions approved the Baltic Assembly's cooperation with the Baltic Council of Ministers and the Assembly of the Western European Union, as well as Benelux-Baltic cooperation. Finally, the assembly adopted a resolution in favour of implementing the Via Baltica roadlink

project and a resolution on plans for abolition of customs borders between the Baltic states.

3 Remarks and conclusions

In conclusion, several general observations can be made. First, there seems to be a natural shift from East to West in the trade patterns of the Baltics as the transition process continues. Further, while Estonia and Latvia are increasingly turning to the West, Lithuania maintains substantial trade with Russia. As mentioned earlier, this could be explained by the fact that Lithuania has always been the most conservative of the Baltic states when it comes to foreign and domestic policy, and its locations. Other explanations of Lithuania's high amount of trade with Russia have been presented by Kristoffersson and Wesslau (1995), who claim that Lithuania has attained low trade shares with West because Estonia and Latvia left the Rouble zone before Lithuania.

A careful inspection of the intra-Baltic trade data reveals that most of intra-Baltic trade has been in energy products. Despite of the establishment of the Baltic free trade area, intraregional trade has not changed dramatically. This is surprising since liberalisation of trade usually tends to encourage the formation of trade. There are some factors to explain this result, at least partly. First, to the trade

data presented here, it can be seen that Baltic countries have been exchanging rather similar products. This naturally limits trade creation in the area. In addition, it has been suggested that since the Baltic countries have had some comparative advantage in labour-, skill- and resource-intensive production including clothing, textiles, footwear or wood products, and since these production areas often favour small and flexible production units, creation of comparative advantages with scale economies within these production areas is limited (Sorsa 1994). Trade in energy among the Baltics is, however, an exception. Cooperation in this sector offers economies of scale benefits. Indeed, the Baltic countries have been cooperating in this area by developing common energy infrastructure and restructuring of existing facilities.

Another reason for the modest intraregional trade in the Baltic area can be the smallness of the Baltic market. After all, there are only 8 million consumers with relatively modest incomes which also limits gains from trade formation.

Finally, although the Baltic countries have a free trade agreement and although several actions have been taken to promote intra-Baltic links, the existing macro- and micro economic problems, as well as trade policy differences remain the biggest obstacles to increased trade and further cooperation between the Baltic nations.

References

Eesti Bank Bulletin No 6, 1995.

Baltic News Service 13.2., 17.3., 10.6., 7.7., 21.7., 8.9., 11.10, 28.11., 1.12., 2.12.1995.

The Baltic Review, The Baltic States and EU Integration, Volume 6, Winter 1995.

Bulletin of the Bank of Lithuania 2/95.

Central Statistical Bureau of Latvia, Monthly Bulletin of Latvian Statistics 1/96.

Department of Statistics to the Government of Lithuania (1996) **Economic and Social Development in Lithuania**. Monthly bulletin 2/96.

International Monetary Fund (1995) **Road Maps of the Transition**. Occasional paper 127, September 1995.

Kristoffersson, Jonas & Wesslau, Peter (1995) **Trade Reorientation in the Baltic states**. Östekonomiska Institutet / Stockholm Institute of East European Economics, April 1995.

Lainela, Seija - Sutela, Pekka (1994) **The Baltic Economies in Transition**. Series A:91, Bank of Finland.

Lithuanian Department of Statistics, Statistical Yearbook 1992-1995

Ministry of Economy of Latvia, Baltic Cooperation and Europe, 1994.

Pallum, Priit (1994) **Baltic Free Trade Agreement - a Step Towards Closer Cooperation**. The Baltic Review, Volume 4 No 04, 1993/94.

Rodrik, Dani (1992) **Making Sense of the Soviet Trade Shock in Eastern Europe: A Framework and some Estimates**. Discussion Papers Series, No. 705, Centre for Economic Policy Research.

Sorsa, Piritta (1994) **Regional Integration and the Baltics**. Policy Research Working Paper 1390. The World Bank International Economics Department, International Trade Division, December 1994.

State Committee for Statistics of the Republic of Latvia, Statistical Yearbook of Latvia 1992 and 1993.

Statistical Office of Estonia, Foreign Trade 1993, 1994 and 3/95.

Statistical Office of Estonia, Statistical Yearbook 1994 and 1995.

Statistical Office of Estonia, Estonian Statistics Monthly 12/95.

Tarr, David (1993) **How Moving to World Prices Affects the Terms of Trade in 15 Countries of the Former Soviet Union**. Working Papers, WPS 1074, The World Bank, January 1993.

REVIEW OF ECONOMIES IN TRANSITION

from number 4 ISSN 1235-7405

- 1/92 Pekka Sutela: **Neuvostoliiton hajoamisen taloudelliset aspektit.** 24 s.
Jouko Rautava: **Suomen ja Venäjän taloussuhteet Suomen EY-jäsenyyden valossa.** 12 s.
- 2/92 Seija Lainela - Jouko Rautava **Neuvostoliiton talouskehitys vuonna 1991.** 15 s.
Seija Lainela **Viron taloudellisen kehityksen lähtökohdat.** 9 s.
Merja Tekoniemi **Yksityistäminen itäisen Euroopan maissa ja Baltiassa.** 7 s.
- 3/92 Kamil Janáček **Transformation of Czechoslovakia's Economy: Results, Prospects, Open Issues.** 20 p.
Sergey Alexashenko **General Remarks on the Speed of Transformation in the Socialist Countries.** 25 p.
Sergey Alexashenko **The Free Exchange Rate in Russia: Policy, Dynamics, and Projections for the Future.** 19 p.
Jouko Rautava **Liikaraha, inflaatio ja vakauttaminen.** 16 s.
- 4/92 Stanislava Janácková - Kamil Janáček **Privatization in Czechoslovakia.** 8 p.
Sergey Alexashenko **The Collapse of the Soviet Fiscal System: What Should Be Done?** 45 p.
Juhani Laurila **Neuvostoliiton ja Venäjän velka.** 23 s.
Jukka Kero **Neuvostoliiton ja Venäjän ulkomaankauppa.** 24 s.
- 5/92 Pekka Sutela **Clearing, Money and Investment: The Finnish Perspective on Trading with the USSR.** 26 p.
Petri Matikainen **"Suuri pamaus" - Puolan talousuudistus 1990.** 22 s.
- 6/92 Miroslav Hrnčíř **Foreign Trade and Exchange Rate in Czechoslovakia: Challenges of the Transition and Economic Recovery.** 39 p.
Terhi Kivilahti - Jukka Kero - Merja Tekoniemi **Venäjän rahoitus- ja pankkijärjestelmä.** 37 s.
- 7/92 Seija Lainela **Baltian maiden rahauudistukset.** 23 s.
Seija Lainela - Jouko Rautava **Baltian maiden poliittisen ja taloudellisen kehityksen taustat ja nykytilanne.** 14 s.
Sergei Alexashenko **Verojen ja tulonsiirtojen jakautuminen entisessä Neuvostoliitossa.** 17 s.
- 1/93 Pekka Sutela **Taloudellinen transitio Venäjällä.** 11 s.
Pekka Sutela **Venäjän taloudellinen voima 2000-luvulla.** 9 s.
Pekka Sutela **Itäinen Eurooppa integraatiossa: ottopoikia, sisarpuolia vai ...** 11 s.
- 2/93 Inkeri Hirvensalo **Changes in the Competitive Advantages of Finnish Exporters in the Former USSR after the Abolition of the Clearing Payment System.** 35 p.
Miroslav Hrnčíř **The Exchange Rate Regime and Economic Recovery.** 17 p.
Gábor Oblath **Real Exchange Rate Changes and Exchange Rate Policy under Economic Transformation in Hungary and Central-Eastern Europe.** 31 p.
Gábor Oblath **Interpreting and Implementing Currency Convertibility in Central and Eastern Europe: a Hungarian Perspective.** 19 p.
- 3/93 Jouko Rautava **Venäjän järjestelmämuutos ja talouskehitys 1992.** 19 s.
Seija Lainela **Baltian maiden talous vuonna 1992.** 25 s.
Pekka Sutela **Itäinen Eurooppa vuonna 1992.** 14 s.
- 4/93 Jouko Rautava **Monetary Overhang, Inflation and Stabilization in the Economies in Transition.** 17 p.
Jarmo Eronen **Manufacturing Industries before and after the Collapse of Soviet Markets: a Comparison of Finnish and Czechoslovak Experience.** 19 p.

- 5/93 Pekka Sutela **Uusi hanke entisen rupla-alueen kaupankäynnin monenkeskeistämiseksi.** 8 s.
Juhani Laurila **Venäjän velkakriisin kehitys ja nykytilanne.** 10 s.
- 6/93 Jouko Rautava **Yritystuesta sosiaaliturvaan: Julkisen tuen muutospaineet Venäjällä.** 7 s.
Jarmo Eronen **Venäjän uusi hallinnollinen aluejako.** 7 s.
Aleksai Tkatchenko **Pienyrittäjäys Venäjällä: Nykytilanne ja kehitysnäkymät.** 35 s.
- 7/93 Tuula Ryttilä **Russian Monetary Policy Since January 1992.** 20 p.
Inkeri Hirvensalo **Developments in the Russian Banking Sector in 1992-1993.** 22 p.
- 8/93 Seija Lainela - Pekka Sutela **Introducing New Currencies in the Baltic Countries.** 26 p.
Inna Shteinbuka **The Baltics' ways: Intentions, Scenarios, Prospects.** 27 p.
Inna Shteinbuka **Latvia in Transition: First Challenges and First Results.** 33 p.
Inna Shteinbuka **Industry Policy in Transition: the Case of Latvia.** 30 p.
- 9/93 Jouko Rautava **Venäjän keskeiset taloustapahtumat heinä- syyskuussa 1993.** 10 s.
Merja Tekoniemi **Venäjän parlamenttivaalien poliittiset ryhmittymät.** 3 s.
Jarmo Eronen **Venäläinen ja suomalainen periferia: Permin Komin ja Kainuun luetaloudellista vertailua.** 29 s.
- 10/93 Seija Lainela **Venäjän federatiivisen rakenteen muotoutuminen ja taloudellinen päätöksenteko; Pietarin asema.** 14 s.
Inkeri Hirvensalo **Pankkitoimintaa Pietarissa.** 14 s.
Juhani Laurila **Suoran sijoitustoiminnan kehittyminen Venäjällä ja Suomen lähialueella.** 29 s.
Juhani Laurila **Suomen saamiset Venäjältä. Valuuttakurssimuutosten ja vakautusten vaikutukset.** 8 s.
- 1/94 Pekka Sutela **Insider Privatization in Russia: Speculations on Systemic Change.** 22 p.
Inkeri Hirvensalo **Banking in St.Petersburg.** 18 p.
- 2/94 Aleksai Tkatchenko **Pienyritysten yksityistäminen Venäjällä.** 23 s.
Jarmo Eronen **Konversio Venäjällä: tulosten tarkastelua.** 10 s.
- 3/94 Juhani Laurila **Direct Investment from Finland to Russia, Baltic and Central Eastern European Countries: Results of a Survey by the Bank of Finland.** 14 p.
Juhani Laurila **Finland's Changing Economic Relations with Russia and the Baltic States.** 11 p.
Jouko Rautava **EC Integration: Does It Mean East-West Disintegration.** 8 p.
Eugene Gavrilencov **Macroeconomic Crisis and Price Distortions in Russia.** 20 p.
Eugene Gavrilencov **Russia: Out of the Post-Soviet Macroeconomic Deadlock through a Labyrinth of Reforms.** 22 p.
- 4/94 Jouko Rautava **Venäjän järjestelmämuutos ja talouskehitys 1993.** 16 s.
Seija Lainela **Baltian maat vuonna 1993.** 19 s.
Jouko Rautava **Suomen idänkauppa 1990-93.** 7 s.
- 5/94 Pekka Sutela **Production, Employment and Inflation in the Baltic Countries.** 22 p.
Seija Lainela **Private Sector Development and Liberalization in the Baltics.** 14 p.
Seija Lainela **Small Countries Establishing Their Own Independent Monetary Systems: the Case of the Baltics.** 17 p.
- 6/94 Merja Tekoniemi **Työttömyys ja sosiaaliturva Venäjällä.** 31 s.
- 7/94 Pekka Sutela **Fiscal Federalism in Russia.** 23 p.
Jouko Rautava **Interdependence of Politics and Economic Development: Financial Stabilization in Russia.** 12 p.
Eugene Gavrilencov **"Monetarism" and Monetary Policy in Russia.** 8 p.

- 8/94 Pekka Sutela **The Instability of Political Regimes, Prices and Enterprise Financing and Their Impact on the External Activities of the Russian Enterprises.** 31 p.
Juhani Laurila **The Republic of Karelia: Its Economy and Financial Administration.** 37 p.
Inkeri Hirvensalo **Banking Reform in Estonia.** 21 p.
- 9/94 Jouko Rautava **Euroopan unionin ja Venäjän välinen kumppanuus- ja yhteistyösopimus - näkökohtia Suomen kannalta.** 7 s.
- 10/94 Seija Lainela - Pekka Sutela **The Comparative Efficiency of Baltic Monetary Reforms.** 22 p.
Tuula Ryttilä **Monetary Policy in Russia.** 22 p.
- 11/94 Merja Tekoniemi **Miksi Venäjän virallinen työttömyysaste on säilynyt alhaisena?** 19 s.
- 1/95 Jouko Rautava **Venäjän järjestelmämuutos ja talouskehitys 1994.** 19 s.
Seija Lainela **Baltian maat vuonna 1994.** 21 s.
Vesa Korhonen **Itäisen Euroopan talouskehitys 1994.** 19 s.
- 2/95 Urmas Sepp **Inflation in Estonia: the Effect of Transition.** 27 p.
Urmas Sepp **Financial Intermediation in Estonia.** 32 p.
- 3/95 Vesa Korhonen **EU:n ja Venäjän kumppanuus- ja yhteistyösopimus.** 31 s.
Jouko Rautava **Talousintegraatio ja Suomen turvallisuus - Suomi Euroopan unionin idän taloussuhteissa.** 21 s.
Jouko Rautava **Suomen idänkauppa 1985-94.** 10 s.
- 4/95 Nina Oding **Evolution of the Budgeting Process in St. Petersburg.** 29 p.
Urmas Sepp **A Note on Inflation under the Estonian Currency Board.** 12 p.
Pekka Sutela **But ... Does Mr. Coase Go to Russia?** 14 p.
- 5/95 Urmas Sepp **Estonia's Transition to a Market Economy 1995.** 57 p.
- 6/95 Niina Pautola **The New Trade Theory and the Pattern of East-West Trade in the New Europe.** 21 p.
Nina Oding **Investment needs of the St.Petersburg Economy and the Possibilities to meeting them.** 20 p.
Panu Kalmi **Evolution of Ownership Change and Corporate Control in Poland.** 21 p.
- 7/95 Vesa Korhonen **Venäjän IMF-vakauttamisohjelma 1995 ja Venäjän talouden tilanne.** 37 s.
Inkeri Hirvensalo **Maksurästit Venäjän transitiotaloudessa.** 30 s.
Seija Lainela **Baltian maiden omat valuutat ja talouden vakautus - pienten maiden suuri menestys.** 14 s.
- 8/95 Pekka Sutela **Economies Under Socialism: the Russian Case.** 17 p.
Vladimir Mau **Searching for Economic Reforms: Soviet Economists on the Road to Perestroika.** 19 p.
- 9/95 Niina Pautola **East-West Integration.** 33 p.
Panu Kalmi **Insider-Led Privatization in Poland, Russia and Lithuania: a Comparison.** 16 p.
Iikka Korhonen **Equity Markets in Russia.** 14 p.
Jury V. Mishalchenko - Niina Pautola **The Taxation of Banks in Russia.** 5 p.
- 1/96 Juhani Laurila **Payment Arrangements among Economies in Transition: the Case of the CIS.** 23 p.
Sergei Sutyurin **Problems and Prospects of Economic Reintegration within the CIS.** 17 p.
Viktor V. Zakharov - Sergei F. Sutyurin **Manager Training - Another Emerging Market in Russian Educational Services.** 9 p.

- 2/96 Jouko Rautava **Venäjän järjestelmämuutos ja talouskehitys vuonna 1995.** 12 s.
 Juhani Laurila **Katsaus lähialueisiin.** 28 s.
 Iikka Korhonen **Baltian vuosikatsaus.** 10 s.
 Pekka Sutela **Ukrainan ja Valkovenäjän taloudet vuonna 1995.** 10 s.
 Vesa Korhonen **Itäisen Euroopan siirtymätalouksien kehitys 1995.** 17 s.
- 3/96 Niina Pautola **Intra-Baltic Trade and Baltic Integration.** 12 p.
 Vesa Korhonen **The Baltic Countries - Changing Foreign Trade Patterns and the Nordic Connection.** 16 p.
 Iikka Korhonen **Banking Sectors in Baltic Countries.** 22 p.
- 4/96 Niina Pautola **Trends in EU-Russia Trade, Aid and Cooperation.** 16 p.
 Niina Pautola **The Baltic States and the European Union - on the Road to Membership.** 20 p.
 Elena G. Efimova - Sergei F. Sutyryn **The Transport Network Structure of the St.Petersburg Region and its Impact on Russian-Finnish Economic Cooperation.** 11 p.
 Iikka Korhonen **An Error Correction Model for Russian Inflation.** 10 p.
- 5/96 Juhani Laurila - Inkeri Hirvensalo **Direct Investment from Finland to Eastern Europe; Results of the 1995 Bank of Finland Survey.** 21 p.
 Tatiana Popova - Merja Tekoniemi **Social Consequences of Economic Reform in Russia.** 26 p.
 Iikka Korhonen **Dollarization in Lithuania.** 7 p.
- 6/96 Juhani Laurila - Inkeri Hirvensalo **Suorat sijoitukset Suomesta Itä-Eurooppaan; Suomen Pankin vuonna 1995 tekemän kyselyn tulokset.** 20 s.
 Jouko Rautava **Suomi, Euroopan Unioni ja Venäjä.** 6 s.
 Niina Pautola **Baltian maiden talouskatsaus 1996.** 12 s.
- 1/97 Panu Kalmi **Ownership Change in Employee-Owned Enterprises in Poland and Russia.** 51 p.
- 2/97 Niina Pautola **Fiscal Transition in the Baltics.** 23 p.
 Peter Backé **Interlinkages Between European Monetary Union and a Future EU Enlargement to Central and Eastern Europe.** 19 p.
- 3/97 Iikka Korhonen **A Few Observations on the Monetary and Exchange Rate Policies of Transition Economies.** 8 p.
 Iikka Korhonen **A Brief Assessment of Russia's Treasury Bill Market.** 8 p.
 Rasa Dale **Currency Boards.** 14 p.
- 4/97 Sergei F. Sutyryn **Russia's International Economic Strategy: A General Assessment.** 17 p.
 Tatiana Popova **The Cultural Consequences of Russian Reform.** 17 p.
 Ludmilla V. Popova - Sergei F. Sutyryn **Trends and Perspectives in Sino-Russian Trade.** 11 p.
- 5/97 Jouko Rautava **Venäjän järjestelmämuutos ja talouskehitys vuonna 1996.** 10 s.
 Iikka Korhonen - Niina Pautola **Baltian talouskatsaus 1996.** 12 s.
 Merja Tekoniemi **Katsaus lähialueisiin 1996.** 11 s.
 Merja Tekoniemi **Ukrainan talouskatsaus 1996.** 10 s.
 Kari Pekonen **Valko-Venäjän talous vuonna 1996.** 6 s.
 Katri Lehtonen **Keski- ja Itä-Euroopan talouskehitys vuonna 1996.** 13 s.
- 6/97 Niina Pautola **Towards European Union Eastern Enlargement - Progress and Problems in Pre-Accession.** 17 p.
 Katri Lehtonen **Theory of Economic Reform and the Case of Poland.** 26 p.
 Boris Brodsky **Dollarization and Monetary Policy in Russia.** 14 p.
- 7/97 Toivo Kuus **Estonia and EMU Prospect.** 24 p.
 Olga Luštšik **The Anatomy of the Tallinn Stock Exchange.** 23 p.
 Riia Arukaevu **Estonian Money Market.** 20 p.

- 1/98 Iikka Korhonen **The Sustainability of Russian Fiscal Policy.** 8 p.
Tatiana Popova - Merja Tekoniemi **Challenges to Reforming Russia's Tax System.** 18 p.
Niina Pautola **Optimal Currency Areas, EMU and the Outlook for Eastern Europe.** 25 p.
- 2/98 Peter Westin **Comparative Advantage and Characteristics of Russia's Trade with the European Union.** 26 p.
Urszula Kosterna **On the Road to the European Union - Some Remarks on Budgetary Performance in Transition Economies.** 31 p.
- 3/98 Jouko Rautava **Venäjän järjestelmämuutos ja talouskehitys vuonna 1997.** 11 s.
Merja Tekoniemi **Keskuksen ja alueiden välisten suhteiden kehitys Venäjällä 1992-1997.** 10 s.
Niina Pautola **Baltian talouskatsaus 1997.** 11 s.
Merja Tekoniemi **Katsaus Suomen kauppaan IVY-maiden ja Baltian maiden kanssa 1990-1997.** 11 s.
Tom Nordman **Kiinan talouden tila ja ongelmat.** 11 s.
Merja Tekoniemi **Ukrainan talouskatsaus 1997.** 10 s.
Iikka Korhonen **Keski- ja Itä-Euroopan talouskehitys 1997.** 12 s.
- 4/98 Kustaa Äimä **Central Bank Independence in the Baltic Policy.** 30 p.
Iikka Korhonen – Hanna Pesonen **The Short and Variable Lags of Russian Monetary Policy.** 11p.
Hanna Pesonen **Assessing Causal Linkages between the Emerging Stock Markets of Asia and Russia.** 10 p.
- 5/98 Laura Solanko **Issues in Intergovernmental Fiscal Relations – Possible Lessons for Economies in Transition.** 19 p.
Iikka Korhonen **Preliminary Tests on Price Formation and Weak-form Efficiency in Baltic Stock Exchanges.** 7 p.
Iikka Korhonen **A Vector Error Correction Model for Prices, Money, Output, and Interest Rate in Russia.** 12 p.
Tom Nordman **Will China catch the Asian Flu?** 14 p.
- 6/98 Saga Holmberg **Recent Reforms in Information Disclosure and Shareholders' Rights in Russia.** 17 p.
Vladimir R. Evstigneev **Estimating the Opening-Up Shock: an Optimal Portfolio Approach to Would-Be Integration of the C.I.S. Financial Markets.** 39 p.
Laura Solanko – Merja Tekoniemi **Novgorod and Pskov – Examples of How Economic Policy Can Influence Economic Development.** 14 p.
Ülle Lõhmus - Dimitri G. Demekas **An Index of Coincident Economic Indicators for Estonia.** 12p.
- 7/98 Tatyana Popova **Financial-Industrial Groups (FIGs) and Their Roles in the Russian Economy.** 24p.
Mikhail Dmitriyev – Mikhail Matovnikov – Leonid Mikhailov – Lyudmila Sycheva **Russian Stabilization Policy and the Banking Sector, as Reflected in the Portfolios of Moscow Banks in 1995–97.** 29 p.
- 1/99 Jouko Rautava **Venäjän järjestelmämuutos ja talouskehitys vuonna 1998.** 10 s.
Iikka Korhonen – Seija Lainela **Baltian maat vuonna 1998.** 10 s.
Tom Nordman **Kiinan talouden tila ja näkymät.** 13 s.
Pekka Sutela **Ukrainan talouskatsaus 1998.** 14 s.
Iikka Korhonen **Keski- ja Itä-Euroopan talouskehitys vuonna 1998.** 10 s.