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ANTI-CRISIS POLICY THE VISEGRAD GROUP COUNTRIES

Abstract. This study is focused on the analysis of the anti-crisis and post crisis policies of the Visegrad Group countries during the Global financial and economic crisis. The main pre-crisis macroeconomic conditions such as GDP growth, current account balance, refinancing rate, debt and currency policy of each country are determined. The key components of government crisis management in the field of public and private administration are checked. The most effective measures for crisis management and creation of foundations for sustainable economic growth of developing countries are defined. The results of the policies are summarized and, on its basis, the state success rating is constructed.

Keywords: global financial and economic crisis, crisis regulation, Visegrad Group countries, post-crisis growth

Formulas: 0, fig.: 0, tab.: 4, bibl.: 20

JEL Classification: E63, F42, H500

Introduction. Accelerated integration in Europe and the establishment of the common rules of competition created conditions for rapid growth of Eastern Europe. The development of foreign markets allowed increasing export earnings and raising living standards. However, as a result of the global financial crisis, there was a significant drawdown of most macroeconomic indicators. Also, the level of crisis management and efficiency of government mechanisms clearly outlined the number and depth of the problems that has each and every national economy. In the context of this problem, it is necessary to divide the analysis of the EU Eastern European countries and the former Soviet Union states. This article is devoted to the EU Eastern European countries. Besides, it is important to mention that the analysis will be limited to the Czech Republic, Hungary, Poland, and Slovakia, as the anti-crisis policies of post-Soviet countries as well as Bulgaria and Romania have been researched previously [Briatko 2016], and the Baltic countries refer to the north Europe.

Literature review and the problem statement. In modern economics, there are two approaches to the analysis of the economic opportunities of the Visegrad Group countries. The first group includes researchers who consider the association as sufficiently integrated structure, that is capable to maintain the collective actions aimed to avoid crisis tendencies (A. Archangel, E. Petrikov, N. Tselyshev). The second involves scientists who believe that the primacy of internal determinant is the key character. The interstate cooperation is low efficient (S. Alyeksashenko, R. Bayhulov).

Based on the trends in the scientific community, it is possible to say that there are an insufficient volume of anti-crisis measures researches in the Visegrad Group countries.

The objectives of the article are to determine the pre-crisis situation of each country, to characterize the national anti-crisis measures and to determine its effectiveness.

Research results. In the context of evolution of the Visegrad Group countries anti-crisis policies, it is important to note that crisis management strategy was based on the common European Policy. In December 2008 the European Council adopted the "Plan of the EU economic recovery". The plan was developed for two spheres:

– Promotion of consumer confidence and demand increasing. The approximate expenses for the first stage are 200 billion. Euros (1.5% of GDP);

– Strengthening the competitive position of the EU. It included the investments in energy efficiency and energy conservation, development of clean technologies and research infrastructure [Butorina 2009, pp.118-119].

The main principles of the plan were solidarity and social responsibility.

The next step, applied during the acute phase of the crisis, was the implementation of the plan of "Promoting economic recovery" on March 4, 2009. The key objective was to strengthen the coordination between Member States. The document contains extensive program of financial sector reform, it clarifies and corrects methods of consumer demand support, investment increasing and maintaining or creating new jobs [Ibid, p.119].

Therefore, it is advisable to conduct a study of anti-crisis measures for each Eastern European country separately.

Table 1 – Key indicators of Czech Republic economy

Czech Republic									
Indicator	2006	2007	2008	2009	2010	2011	2012	2013	2014
Macroeconomic indicators									
GDP (bn USD)	155,2	188,8	235,2	205,7	207,0	227,3	206,7	208,7	205,5
GDP growth (%)	6,9	5,5	2,7	-4,8	2,3	2,0	-0,8	-0,7	2,0
Deviation from world GDP (%)	2,79	1,57	1,23	-2,73	-1,78	-0,84	-3,03	-3,05	-0,47
Current account balance (to GDP)	-2,0	-4,2	-1,9	-2,4	-3,6	-2,2	-1,5	-0,5	0,7
Export / Import (to GDP)	65/62	66/64	63/61	59/55	66/63	71/68	76/71	77/71	83/77
Inflation (%)	0,7	3,5	2,0	2,6	-1,5	-0,2	1,4	1,7	2,4
Budget (%)	-3,9	-1,4	-1,4	-5,7	-4,5	-4,2	-2,3	-	-
Credit market									
Lending (to GDP)	34,1	38,9	43,5	45,3	46,8	48,8	49,9	51,3	50,4
Refinancing rate [CNB]	1,5	2,25	2,0	0,5	0,25	0,25	0,1	0,05	0,05
Short term loans to external debt	-	-	-	-	-	-	-	-	-
Total debt to GDP	-	-	-	-	-	-	-	-	-
Currency market									
International reserves (bn USD)	31,4	34,9	37,0	41,6	42,4	40,2	44,8	56,2	54,4
Exchange rate (to USD)	22,60	20,29	17,07	19,06	19,10	17,70	19,58	19,57	20,76
Money supply (M2,%)	2049	2380	2703	2709	2759	2835	2971	3144	3330
Stock Market									
Capitalization to GDP (%)	31,3	38,9	20,8	25,6	20,8	16,9	18,0	-	-
Gold									
Demand of Central Banks (bn USD)	0,275	0,357	0,367	0,451	0,573	0,612	0,619	0,420	0,410

Source: [The World Bank. Data base]

The striking example of the successful development of socio-economic system is the Czech Republic. In the early 2000s, the government held a series of reforms that created the basis for sustainable development and enclosed the financial system to internal market. It created the conditions of the "Czech stability island" during the acute phase of the global financial crisis. Also, the country maintains a high level of industry in GDP (over 35%). It allows keeping the external trade balance within zero point.

During the pre-crisis period GDP tended to steady growth (6-7%). This situation was supported by significant inflows of foreign investment, low inflation, cheap money policy pursued by the National Bank and the growth of money supply. In addition, the positive dynamics in assessing of investment risk was low public debt (24.4% of GDP in 2008 [World Bank]), as well as significant international reserves (37 billion USD).

Another factor of stability is the low level of loans in economy. Before the crisis, this indicator did not exceed the 50%. It allows saying about significant room for maneuver in the choice of anti-crisis strategy.

The negative components of the economy are significant budget deficit, which managed to maintain an acceptable level (above 3%) only in 2007 and 2008 and dependence on exports, and as a result of the international situation.

In response to the acute phase of crisis, the Czech government established the National Economic Council. On the basis of its report, the package of anti-crisis measures of the first tier was created. The plan included:

- Benefits in payments to social insurance - 18 billion crowns;
- Shortening of depreciation of fixed assets - 9.4 billion croons;
- Deduction of VAT on the cost of new cars for businesses - 2.4 billion croons;
- Support on lending of small and medium enterprises - 2.1 billion croons;
- Modernization of public transport - 2 billion crowns;
- Repair and insulation of public houses - 6.6 billion crowns [Government of Czech Republic].

In 2009, the implementation of a package of measures was extended until 2011. In addition, the cost of its implementation increased from 1.1% of GDP to 1.9% of GDP.

The reflection of anti-crisis steps was the formation of stable government surplus in trade balance. Interesting is the fact that even during the acute stage of destabilization of this index remained positive. During the crisis, this figure increased from 2% of GDP in 2008 to 6% in 2014.

Despite significant advances in the field of trade balance, balance of payments was negative. The average index during the acute phase of the crisis was -2.6%. However, the efforts of the regulator lead to reduction of this index to 2.2% with further improvements in 2011 [Table 1]. In 2014, the balance of payments turned positive and reached 0.7% or 1.3 billion USD [World Bank].

The current transfers showed steady negative trend. Between 2008 and 2014 this figure decreased from -25.0 billion USD to -36.5 billion USD. The situation was stabilized in 2010 as a result of government anti-crisis package. However, the result was not secured and in 2011 the downward trend continued [Ibid].

Because of the lack of data of the Czech Republic total debt, the state of debt will be analyzed only. During the acute phase of the global crisis and post-crisis regulation period, there was a significant increase of debt from 28.7% in 2008 to 45.2% of GDP in 2013. After that there was a period of stabilization and rollback. By the end of 2014 the indicator was 42.7% of GDP. [Trading economies] The structure of external debt since 2013 is as follows: 11% - direct investments, 23% - banks, 38% - real economy, 29% - state government, 0% - central bank [The voice of Sweden]. Taking into the account the fact that in 2014 country had 54.4 billion USD of international reserves, it is possible to say about the stability of the economy to external shocks.

Thus, after checking the anti-crisis policy of the Czech Republic, it is possible to say about stabilization. The positive indicators are trade surplus and stabilization of external debt. However, the current account balance and the current transfers are still under negative trends.

Table 2 – Key indicators of Hungary economy

Hungary									
Indicator	2006	2007	2008	2009	2010	2011	2012	2013	2014
Macroeconomic indicators									
GDP (bn USD)	114,2	138,5	156,5	129,3	129,5	139,4	126,8	133,4	137,1
GDP growth (%)	4,0	0,5	0,9	-6,6	0,8	1,8	-1,5	1,5	3,6
Deviation from world GDP (%)	-0,11	-3,43	-0,57	-4,53	-3,28	-1,04	-3,73	-0.85	1,13
Current account balance (to GDP)	-7,1	-7,2	-7,0	-0,8	0,3	0,8	1,8	4,0	3,9
Export / Import (to GDP)	74/76	78/78	80/79	75/71	82/77	87/81	87/80	89/81	-/-
Inflation (%)	3,5	5,3	5,0	3,9	2,1	2,2	3,4	3,0	3,1
Budget (%)	-8,5	-4,9	-3,7	-4,1	-3,5	3,5	-2,6	-	-
Credit market									
Lending (to GDP)	47,8	53,8	60,0	60,6	61,4	59,4	51,1	46,9	43,9
Refinancing rate [MNB]	6,95	7,8	8,8	8,7	5,5	6,25	6,75	4,25	2,35
Short term loans to external debt	17,0	19,1	12,6	11,9	15,2	15,0	11,3	11,6	-
Total debt to GDP	116,6	126,0	142,4	185,6	167,0	151,2	158,8	147,5	-
Currency market									
International reserves (bn USD)	21,5	24,0	33,8	44,1	44,9	48,8	44,6	46,5	42,0
Exchange rate (to USD)	210	183	172	202	207	201	225	223	232
Money supply (M2)	12800	14209	15447	16010	16694	17806	16981	18304	21875
Stock Market									
Capitalization to GDP (%)	36,7	34,4	11,9	21,9	21,4	13,5	16,6	-	-
Gold									
Demand of Central Banks (bn USD)	0,062	0,082	0,086	0,107	0,139	0,151	0,164	0,119	0,119

Source: [The World Bank. Data base]

Hungary's pre-crisis growth was similar with other Eastern European countries. Transformation processes of the economy were aimed at liberalization of foreign capital, development of the financial sector, preservation of industrial potential and integration into European structures. The GDP grew was about 5% per year up to 2007, then it slowed down to 0.5-0.9% per year. It was caused by imbalances of trade in previous years and the strengthening of the national currency, the forint.

Before the crisis, the macroeconomic situation in the country was instable. For two years there was a revaluation of the national currency for 18.1%, total external debt increased by 27.8% and reached the mark of 142.4% of GDP. The significant current account deficit (7%) and the budget deficit (around 4%) were additional pressure factors.

The positive factors include permanent cuts in public spending. The state budget deficit in 2006 was 8.5%. Right before the crisis, this indicator was 3.7%. Also the active increase of exports appeared. It resulted to positive trade balance in early 2008, mainly due to the pharmaceutical and automotive companies. Additional positive component was the extension of state reserves.

From the point of view of Financial Regulation, the positive factor was the fact that Hungary had a relatively high rate of refinancing at low inflation, which allowed the central bank to do wide maneuvers during the crisis.

The first package of anti-crisis measures was developed at a meeting of the Economic Council of The Agreed Interest. At the beginning the budget of crisis management was 800 billion forints. However, after long discussions it was increased up to 1.4 trillion forints [NOL].

In general, the package includes the following areas of regulation:

1. Support of the financial market: increasing the amount microcredit from 6 to 10 million forints and maturity from 5 to 10 years; opening credit lines to commercial banks in the amount of 50 billion forints with the aim to use it among SMEs; provide loan guarantees to commercial banks for loans up to 100 million forints;

2. The expansion of the market: foreign capital attraction and assistance to local government in the framework of new jobs creation and preservation of existing ones;

3. Improvement of the competitiveness: reduction of requirements for participation in competitions under the economic development program for 2007-2013 years and provision of the profit tax benefits in the amount of 10-25%;

4. The investment development: tax reduction in terms of actual labor to 50%. [Kulikova, N.V. 2009, p 178-179]

The second wave of anti-crisis measures included:

1. Reduction of government spending in the amount of 300 billion forints.

2. Implementation of policies on promotion of the foreign financing of industrial projects development and tourism industry.

3. Stabilization of the financial market by increasing the liquidity of different sectors. The main tools are: purchasing the government securities in order to increase market liquidity on the secondary market, the two-week refinancing under fixed rate and semiannual tender with variable rate.

The policy of foreign investment support has been extended until 2018.

The anti-crisis steps of Hungary's Government were quite successful. Despite of significant weakening of the financial and economic situation during the acute phase of the crisis, the restoration appeared to be in early 2010. In particular, there was a break in foreign trade. The pre-crisis 1.2% negative trade balance was changed to surplus in 2009. Exports reached preliminary figures within a year. The surplus was extended to 4% in 2009 and to 8% in 2013. Similar situation occurred in the balance of payments. 7% crisis deficit was changed to a surplus in 2010 [Table 2]. From 2013 there was stabilization at around 3.9% or 5.3 billion USD. [World Bank]

In the area of current transfers the situation is quite complicated. The government is permanently trying to improve the balance of this indicator. However, the policy is unable to break the negative trend. Only the first wave of anti-crisis steps was successful. In the period from 2008 to 2009 this indicator decreased from -294.1 billion USD to -82.1 billion USD. Anyway, the positive trend was not saved. By the end of 2014 the balance of current transfers was -

219.0 billion USD [Ibid].

The external debt regulation had a lot of significant features. First of all, the percentage of central government debt never exceeded 50% of total debt. In general, the situation with debt is traditional, like in most European countries. In 2008-2009 there was a sharp increase in total debt up to 185.6% of GDP (public debt was 80.4%). However, the anti-crisis steps led to a steady reduction of the debt burden to the level of 147.5% of GDP, or 195.8 billion USD in 2013. The structure of external debt is as follows: 40% - direct investments, 15% - banks, 12% - the real economy, 31% - state government, 1% - central bank [The voice of Sweden]. Based on the fact that in 2014 the country had 42.0 billion USD international reserves, it is possible to say about relative vulnerability of the economy to external shocks.

Thus, after the analysis of Hungary anti-crisis policy it is possible to conclude that it was low effective. The issues are great level of total debt and the fragility of the current transfers. However, trade balance shows significant progress.

Table 3 – Key indicators of Poland economy

Poland									
Indicator	2006	2007	2008	2009	2010	2011	2012	2013	2014
Macroeconomic indicators									
GDP (bn USD)	343,2	428,7	530,1	436,4	476,6	524,3	496,2	526,0	548,0
GDP growth (%)	6,2	7,2	3,9	2,6	3,7	4,8	1,8	1,7	3,4
Deviation from world GDP (%)	2,09	3,27	2,43	4,67	-0,38	1,96	-0,43	-0,65	0,93
Current account balance (to GDP)	-3,8	-6,2	-6,6	-3,9	-5,6	-5,1	-3,6	-1,3	-
Export / Import (to GDP)	38/40	39/42	38/43	37/38	40/42	43/45	45/45	46/44	-/-
Inflation (%)	1,8	4,0	3,6	3,9	1,8	3,2	2,2	1,2	0,6
Budget (%)	-3,4	-1,9	-3,7	-6,1	-6,7	-4,2	-3,5	-	-
Credit market									
Lending (to GDP)	31,3	37,1	47,6	47,4	49,0	51,8	50,5	50,9	51,9
Refinancing rate [NBP]	4,25	4,5	5,5	3,75	3,5	4,25	4,5	3,25	2,25
Short term loans to external debt	-	-	-	-	-	-	-	-	-
Total debt to GDP	-	-	-	-	-	-	-	-	-
Currency market									
International reserves (bn USD)	48,4	65,7	62,1	79,5	93,4	97,7	108,9	106,2	100,4
Exchange rate (to USD)	3,10	2,77	2,41	3,12	3,02	2,96	3,26	3,16	3,15
Money supply (M2)	495	561	666	720	783	881	921	978	1059
Stock Market									
Capitalization to GDP (%)	42,4	48,4	17,0	31,0	39,9	26,4	35,8	-	-
Gold									
Demand of Central Banks (bn USD)	2,102	2,758	2,878	3,598	4,650	5,065	5,506	3,985	3,990

Source: [The World Bank. Data base]

The largest Eastern European economy is also quite interesting to be analyzed. Between 2000 and 2004 Poland carried out the forced transformation of its economy on the path of joining the European Union. During this period there were a liberalization of the financial market, significantly improvement of investment climate, adaptation of laws and regulations to European norms and regulations. After 2004 there has been a trend towards sustainable and balanced growth. In the period of 2005-2007, the country's economy grew in the frames of 6.2-7.2% per year. However, the acute phase of the global crisis influenced significantly by slowing the growth.

General macroeconomic situation before the global imbalance was quite balanced. In particular, there has been a tendency to reduce the national debt from 47.7% to 45% of GDP [Trading economies], cut budget deficit to 44.1% and rise of foreign reserves from 48.4 billion USD to 65.7 billion USD.

However, the accelerated growth of GDP created a number of weaknesses in the economy. The issues were imperceptible during prosperity but influential during crisis period. Great concern was the increase of payments balance and trade balance deficit to -6.6% and 5% respectively. Moreover, the National Bank together with the government pursued a policy of revaluation of the national currency (zloty). From 2006 to 2008 revaluation was implemented in the amount of 22.3%. Additional risk factor was the increasing of lending. Between 2006 and 2008 this indicator almost doubled reaching the mark of 47.6% of GDP.

The anti-crisis policy of the government and the National Bank consisted of two parts: "Trust Plan" and "Stability and Development Plan". The first one provided the aid to financial and credit system in terms of additional loans to banks in national currency for more than one day, foreign currency and easing criteria for assets of funds of the National Bank of Poland.

The second was implemented during 2009-2010 with budget of 38 billion USD. The plan involved the following steps:

- Taxes lowering (for individuals in the amount of 8 billion zloty a year, for enterprises - 2 billion zloty);
- Mortgage loans subsidizing; the provision of mortgage holidays for the period from 2010 to 2012;
- The increasing of the banking sector liquidity (40 billion zloty);
- Increase the availability of lending to the enterprises, implementation tools of state treasury agreements guarantee;
- Empower the Treasury to finance banks through the purchase of shares or certificates of equity participation;
- Provisioning of social solidarity fund with the aim to finance social projects (the budget is created by increasing of excise taxes) [Kulikova 2009, pp. 220-223]

Further anti-crisis policy was applied in the field of common European course.

As a result of crisis and anti-crisis measures of the government balance of payments remained negative. Average in the period 2008-2011 it was -5.3%. However, since 2012 this indicator was improved. By the end of 2013 it was counted as -6.9 billion USD or -1.3% of GDP. [Table 3]

Another problematic area was negative trade balance. A significant dependence on imports did not allow state to manage the figure to positive indicators up to 2012, despite the fact that the export potential was restored in early 2010. However, the wide package of measures aimed to the development and the expansion of polish exporters on foreign markets allowed achieving 2% surplus of trade balance in 2013.

One of the biggest problems of government was and remains the balance of current transfers. During the acute phase of the crisis, this figure decreased from 2.9 billion USD to -4.1 billion dollars USD. During the first and second wave of anti-crisis measures, this indicator was restored. In 2011 the amount was to 3.1 billion USD. However, in the post-crisis period, this figure was dropped again. By results of 2014 the net current transfers from abroad amounted at -1.6 billion USD [Ibid].

Because of an absence of data on total debt of Poland, it is possible to analyze the public component only. During the acute phase of the global imbalance there was a significant increase in debt from 47.1% to 54.9% of GDP. Later there was stabilization. By the end of 2014 the figure was 50.4% of GDP [Trading economies]. The structure of external debt since 2011 is as follows: 24% - direct investments, 18% - banks, 16% - the real economy, 40% - state government, 2% - central bank [The voice of Sweden]. Based on the fact that in 2014 country had 100.4 billion USD of international reserves it is possible to say about relative stability of the economy to external shocks.

Thus, having considered anti-crisis policy of Poland, it is possible to state about its low performance in the financial sector and high in the real economy. There was always GDP growth, despite of unfavorable conditions. It is also important to note that there was relative stabilization of the public debt. The key problematic areas are trade balance, current transfers balance and current account.

Table 4 – Key indicators of Slovak Republic economy

Slovak Republic									
Indicator	2006	2007	2008	2009	2010	2011	2012	2013	2014
Macroeconomic indicators									
GDP (bn USD)	70,4	86,0	99,8	88,6	89,0	97,5	92,7	97,7	99,7
GDP growth (%)	8,3	10,7	5,4	-5,3	4,8	2,7	1,6	1,4	2,4
Deviation from world GDP (%)	4,19	6,77	3,93	-3,23	0,72	-0,14	-0,63	-1,05	-0,07
Current account balance (to GDP)	-5,6	-4,8	-6,2	-3,6	-3,6	-2,1	2,2	1,5	0,1
Export / Import (to GDP)	81/85	83/85	80/83	67/69	76/78	85/86	92/88	93/88	92/88
Inflation (%)	2,9	1,1	2,8	-1,2	0,5	1,6	1,3	0,5	-0,2
Budget (%)	-3,0	-1,7	-2,0	-7,2	-6,6	-4,8	-4,5	-	-
Credit market									
Lending (to GDP)	1,1	1,2	1,3	45,1	45,3	46,9	47,1	48,4	50,4
Refinancing rate [NBS]	3,0	4,0	3,75	1,5	1,0	1,25	0,9	5,5	0,15
Short term loans to external debt	-	-	-	-	-	-	-	-	-
Total debt to GDP	-	-	-	-	-	-	-	-	-
Currency market									
International reserves (bn USD)	13,3	18,9	18,8	1,8	2,1	2,4	2,5	2,1	2,6
Exchange rate (to USD)	29,70	24,69	21,36	-	-	-	-	-	-
Money supply (M2)	30,9	34,9	36,7	38,9	39,2	39,6	42,3	44,7	47,2
Stock Market									
Capitalization to GDP (%)	7,9	8,1	5,1	5,3	4,7	4,9	5,0	-	-
Gold									
Demand of Central Banks (bn USD)	0,717	0,941	0.981	1,111	1,436	1,564	1,700	1,230	1,228

Source: [The World Bank. Data base]

Economic development of Slovakia in the pre-crisis years was rather stable. The key government areas during this period were construction of management and regulation system based on the principles of foreign capital free access, decentralization of decision-making, financial sector development, creating conditions for industrial development in key fields, integration into European structures.

GDP during the period from 2001 to 2004 steadily increased up to 4.5-5.5% annually. After accession to the EU, growth rate was increased and reached maximum of 10.7% in 2007. In general, before the crisis, the macroeconomic situation in the country was not the best. Country was prepared to join to euro zone. The national currency revaluation in the pre-crisis year was 13.5%. In addition, there were a deficit of the current account balance and trading operations. It reached -6.2% and -3% respectively before the crisis.

The positive factors were the significant increase of international reserves up to 18.8 billion USD before the crisis, low budget deficit (-2.0% before the crisis), the reduction of public debt by about 1.3% per year [World Bank] and low inflationary pressures.

Based on this situation, the Slovak government adopted a program of anti-crisis measures to resist the acute phase of the financial crisis. The program consisted of the following components:

1. State investment costs (financing of national infrastructure, energy and telecommunication projects).

2. Stimulation of private investment demand:

– Increase the share capital of the Slovak Export-Import Bank and the Slovak bank of guarantees and development, which are specialized on long-term lending;

– State guarantees on SMEs loans;

– Formation of the system of investment incentives by reducing the requirements to the minimum investment.

3. Support of employment and consumer demand:

– Deposit guarantee in full for individuals, organizations of non-profit sector and small enterprises;

– Directing subsidies to enterprises for new job creation, targeted assistance to unemployed, subsidizing regional socially-oriented projects;

– Tax breaks that apply to people with low incomes and small enterprises;

– State aid to unemployed to pay mortgages [Kulikova 2009, p 303].

Since joining the euro zone, the number of financial regulation instruments was reduced. As a result, the implementation of anti-crisis steps was processed due to common European strategy. A key focus of economic regulation was to support the automotive, electronics industries and tourism sector. The plan was designed for 2009-2012 and extended for additional 5 years.

As a result of anti-crisis measures the current account deficit was reduced. At the end of 2011 this figure was close to zero and in 2012 it became a surplus (2.2%). However, the trend was not sustained. By the end of 2014 a positive component of the payments balance remained at around 0.1% or 113.5 million USD [World Bank].

The issuing sector of Slovak economy was negative trade balance. During the acute phase of the crisis there was significant weakening of the export potential. Pre-crisis export performance was achieved in 2011 only. However, the traditional policy aimed at encouraging exporters allowed to reverse the negative balance by making it positive in 2012. This trend was continued, holding at around 4-5% of GDP [Table 4].

The balance of current transfers is also one of the vulnerable points of the Slovakia economy. Anti-crisis government actions could only reduce negative trend, but not stop it. During the period of the package of measures application (2008-2010), this figure declined from -1.3 billion USD to -662 million USD. However, in 2011 the negative balance began to rise. By the end of 2014 it was -906 million USD [Ibid].

Because of the lack of information on total debt of Slovakia, the analysis will be conducted to public debt only. During the acute phase of the global crisis and post-crisis regulation the debt was a significantly increased (from 27.9% in 2008 to 54.6% of GDP in 2013). The process of stabilization was started in the second half of 2013 only. By the end of 2014 the public debt amounted to 53.5% of GDP [Trading economies]. The structure of external debt since 2013 is as follows: 23% - private equity, 8% - banks, 15% - the real economy, 36% - state government, 18% - central bank [The voice of Sweden]. If to consider that had 2.6 billion USD of international reserves in 2014, it is possible to say about the vulnerability of the economy to external shocks.

After the analysis of anti-crisis policy of Slovakia, it is possible to talk about the stabilizing. Positive points are the reduction of current account deficit, balance of current transfers and stabilization of debt. The weak point of the economy remains high dependence on exports and a negative trade balance.

Conclusions. Thus, after the analysis of six Eastern European countries it is possible to conclude the following statements. The high effective anti-crisis steps were implemented by Czech Republic. The key elements of success were the reduction of the debt burden, increasing the current transfers and trade balance, stabilization of current account deficit.

Until next pools of countries include states that managed to stabilize the situation and create the preconditions for domestic market growth. There are Poland and Slovakia. The key elements of impact were debt and trade deficit reduction.

The Hungarian government anti-crisis program has quite interesting features. It was focused on increasing trade balance surplus. Also, there was considerable progress in that field. However, the situation in terms of debt and current transfers do not allow to state that anti-crisis management was successful and conditions were stabilized.

Discussion. The research allows summarizing the existing anti-crisis measures of east European countries and creates the fundament to formulate the immediate measures for accelerated development of medium state. In further studies the extended impact analysis of administrative levers of regulation in order to optimize the mechanisms of government and formation of sustainable economic growth is planned.

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Data przesłania artykułu do Redakcji: 17.01.2017
Data akceptacji artykułu przez Redakcję: 20.01.2017