

## Editorial

Dear reader,

### **The Times They Are a-Changin'**

This famous song line definitely holds for the global economic situation, which has deteriorated significantly since the last issue of Focus on European Economic Integration (FEEI) was published. As we all know, economic turmoil – which has drastically changed economic forecasts and overturned traditional views – has not been confined to the U.S.A. Obviously, neither industrialized economies nor emerging markets all over the world have been able to decouple from U.S. developments. As a result, countries in Central, Eastern and Southeastern Europe (CESEE) as well as the Commonwealth of Independent States are facing a significant downturn. The good news is that, with a few exceptions, growth rates for 2009 are still positive. The often-cited growth differential in favor of Austria's neighboring countries is thus still in place. Read more about this in the Recent Economic Developments section.

Two of the studies published in this FEEI issue cover another topic that is especially relevant given the ongoing turmoil: Balázs Égert (OECD, formerly OeNB) and Reiner Martin (currently at the OeNB, on leave from the ECB) deal with Real Estate, Construction and Growth in Central and Eastern Europe. Whereas they take a closer look at the impact of real estate and construction sector developments on competitiveness, Zoltan Walko analyzes Housing Loan Developments in the Central and Eastern European EU Member States. In addition, you will find the 2008 Spring Wave Update of the OeNB Euro Survey in Central, Eastern and Southeastern Europe by Sandra Dvorsky, Thomas Scheiber and Helmut Stix. In our series on financial sector studies, Stephan Barisitz and Sándor Gardó, more or less for the first time in this publication, focus on Serbia. Finally, the summary of the OeNB's East Jour Fixe of June on inflation was compiled by Markus Eller.

**The Times They Are a-Changing** not only characterizes the current economic situation, it also holds for this publication itself – but in a positive sense. From 2009 onward, you will receive four instead of two FEEI issues. This does not necessarily imply rising volumes, but it will make sure that you are provided with more timely information and analyses. Issues 1 and 3 will contain studies only, whereas issues 2 and 4 will include Recent Economic Developments and the Euro Survey, apart from one or two studies. We will continue to release the Recent Economic Developments section on our website at [ceec.oenb.at](http://ceec.oenb.at) a few weeks before FEEI is published, mainly to make it available closer to the cutoff date for data.

As a reminder and to keep you informed about papers published and about ongoing events, we will circulate the relaunched [ceec.newsletter](http://ceec.newsletter) on a regular basis. If you are interested in receiving this newsletter, please send your e-mail address to

doris.ritzberger-gruenwald@oenb.at  
Oesterreichische Nationalbank  
Head of the Foreign Research Division