

Editorial

This 2011-3 issue of the *SEER Journal for Labour and Social Affairs in Eastern Europe* focuses on 'Developments and prospects in the metal and textiles industries in south-east European countries'. The issue consists of a collection of edited articles based on a joint project conducted by IG Metall, the Friedrich-Ebert-Foundation and the European Metalworkers Federation.¹

The common feature of all the analyses, dealing with the future perspectives of south-east Europe after the crisis, is that the region and its countries need to have sustainable economic fundamentals in which industry plays a decisive role. In the current issue, the *SEER* investigates how the core of the industrial base – the metal and textiles industries – is faring in the major countries of south-east Europe.

Stefania Barbuceanu delivers a full overview of developments in the metal and textiles industries in Romania, putting this into the context of the macroeconomic situation of post-crisis Romania. She argues that, whereas the metal industry has emerged from a rigorous restructuring plan and is connected to the European supply chain network, the textiles industry is facing serious problems due to the effects of cheap labour from eastern countries, i.e. China and India.

Mare Ančeva looks at the broad macroeconomic situation in Macedonia after the financial crisis and with the country on its path to integration with the European Union. The metal and textiles industries have a key importance for employment and for the export performance of the country, but still find themselves in a transformation process with significant challenges, among others from the extent of regional competition for investment.

The article by Radmila Grozdanić analyses developments in the metal industry of Serbia in the last decade. Economic transformation in Serbia was disrupted by the Balkans wars and then shaken by economic crisis, while the current macroeconomic situation poses serious challenges and the country continues to face deep-rooted social problems. Industrial revitalisation and the connection of the country to international trade and investment networks seem to form the main development strategy for Serbia, which has a key role to play in the stability of the whole region. The metal industry, which has represented the backbone of the Serbian economy in the last decade, is today characterised by a significant number of powerful companies which are in the process of re-organisation. The significant social costs of this is addressed in detail by the article, which concludes with a reference to trade union strategies to deal with the situation.

Dejan Dulović gives an account of the current economic situation facing Montenegro at the time after the global financial crisis. The high growth rates prior to the crisis ended in deep recession in 2009 and have raised question marks over the sustainability of the previous development trend. This article explores the impacts of the crisis and gives a critical evaluation of the policy measures applied by the government.

1 See more under: <http://www.fesoe.de>, activity no. 35.

Finally, Duljko Hasić focuses on the competitiveness of the metal and textiles industries in Bosnia and Herzegovina, putting this also into the broader macroeconomic environment of the country. The textiles industry has been continually losing its share of both exports and total output, but the metal industry, in contrast, is seen as a sector of strategic importance. During the last five years, it achieved a record of export growth that has been twice as fast as the average in the BiH economy. In order to maintain and develop its competitiveness, however, more is needed than just low wages: training and productivity-enhancing investment will be of key importance.

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