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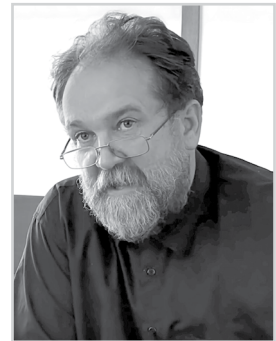
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## Economic policy-makers and economic experts in the countries of Central and Eastern Europe: ways of interaction

**Abstract.** Contemporary economic policy is a complex formation, which requires not only managerial priorities consideration, but also the explanation of scientific and technical expertise procedures. Changing socioeconomic situation cause a demand for a well-considered professional approach and systematic monitoring of diverse economic and social information. In this context, the peculiarities of expert recommendations advancement within the economic decision-making environment prescribe careful attention to the multidisciplinary context. The differences between the economic experts' and decision-makers' within the framework of economic policy cause multidisciplinary alignment of positions and decision-making. Therefore, the specifics of the public experts and officials' communicative interaction inside the framework of state economic policy makes necessary the distinguishing between the areas of responsibility of the expert community and government officials for its results. The development of the adequate economic policy gives significant value to qualitative parameters of experts' behavior which makes it possible to see the functions of expert activity. An economic view of society's life increases realism in management processes. Meanwhile, the populist opposition to economic policy in many countries over the world is not only a manifestation of political sympathies and the support to the certain political forces, but also to the certain economic doctrines. The real impact of economic experts on economic policy has to be traced taking into account the general requirements for government actions by economic players and the main consumers of public services.

At the present stage, despite considerable progress in modernizing the economy and European integration, some transit states of Central and Eastern Europe show a step back from the principles of openness and broad discussion of economic strategies. This indicates the domination of political considerations over economic in the processes of economic policy making.

Positions of economic policy-makers can also be expressed on the basis of certain statements and their interpretation. At the same time, economic deliberation is an important stage in shaping economic policy not only at the approval stage, but also at the stage of development and corrections introduction. Specifics of interaction of external economic experts with governments of Central and Eastern Europe transitive countries are investigated in this paper.

The assumptions were made that planned achievement indicators in market economy are a fairly relative parameters, so the economic policy results may be technological changes, infrastructure improvements and other aspects that do not have gross indicators or index changes. In this context, the careful consideration of the elaboration of expert proposals is an important factor in the legitimization of economic policy. The main recommendations for the contemporary transition countries governments in the context of cooperation with external experts were given in the paper.

**Keywords:** Economic Policy; Economic Decision Making; Experts' Recommendations; Effectiveness; Transitive States

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## Економічна політика та економічні експерти в країнах Центральної та Східної Європи: шляхи взаємодії

**Анотація.** Сучасна економічна політика – це комплексне явище, яке вимагає не лише розгляду управлінських пріоритетів, а й пояснення процедур науково-технічної експертизи. Зміна соціально-економічної ситуації викликає попит на продуманий професійний підхід та систематичний моніторинг різноманітної економічної та соціальної інформації. У цьому мультидисциплінарному контексті просування експертних рекомендацій у середовищі прийняття рішень щодо реалізації економічної політики набуває особливої ваги. Відмінності між економічними експертами та особами, що приймають рішення, в рамках економічної політики викликають міждисциплінарне узгодження позицій і прийняття рішень. Специфіка комунікативної взаємодії громадських експертів і посадовців у рамках державної економічної політики обумовлює необхідність розмежування сфер відповідальності експертного співтовариства та державних службовців за його результати. Розробка адекватної економічної політики дає значну цінність якісним параметрам поведінки експертів, які дозволяють побачити функції експертної діяльності. Економічний погляд на життя суспільства збільшує реалістичність управлінських процесів. Водночас, популістська опозиція економічній політиці в транзитивних країнах є не лише проявом політичних симпатій і підтримки певних політичних сил, але й певних економічних доктрин. У цих умовах слід відстежити реальний вплив економічних експертів на економічну політику з урахуванням загальних вимог до дій влади з боку суб'єктів господарювання та основних споживачів державних послуг. Позиції суб'єктів економічної політики також можуть виражатися на основі певних тверджень та їх інтерпретації. Водночас, економічне обговорення є важливим етапом у формуванні економічної політики не лише на етапі затвердження, а й на стадії розробки та впровадження виправлень. Нами були зроблені припущення, що планові показники досягнень у ринковій економіці є досить відносними параметрами, тому результати економічної політики можуть бути технологічними змінами, поліпшенням інфраструктури й іншими аспектами, які не мають валових показників або індексованих змін.

**Ключові слова:** економічна політика; прийняття економічних рішень; рекомендації експертів; ефективність; транзитивні держави

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## Экономическая политика и экономические эксперты в странах Центральной и Восточной Европы:

### пути взаимодействия

**Аннотация.** Современная экономическая политика – сложное явление, требующее не только учета управленческих приоритетов, но и объяснения процедур научно-технической экспертизы. Изменение социально-экономической ситуации вызывает потребность в продуманном профессиональном подходе и систематическом мониторинге разнообразной экономической и социальной информации. В этом контексте особенности продвижения экспертных рекомендаций в среде принятия экономических решений требуют пристального внимания к междисциплинарному контексту. Различия между экономическими экспертами и лицами, принимающими решения, в рамках экономической политики приводят к междисциплинарному выравниванию позиций и принятию решений. Поэтому специфика коммуникативного взаимодействия общественных экспертов и чиновников в рамках государственной экономической политики обуславливает необходимость разграничения областей ответственности экспертного сообщества и государственных чиновников за ее результаты. Разработка адекватной экономической политики придает большое значение качественным параметрам поведения экспертов, позволяющим увидеть функции экспертной деятельности. Экономический взгляд на жизнь общества повышает реализм в процессах управления. Между тем популистская оппозиция экономической политике в транзитивных странах является не только проявлением политических симпатий и поддержкой определенных политических сил. Реальное влияние экономических экспертов на экономическую политику должно отслеживаться с учетом общих требований к действиям правительства со стороны экономических игроков и основных потребителей государственных услуг. Позиции лиц, определяющих экономическую политику, также могут быть выражены на основе определенных заявлений и их интерпретации. В то же время экономическое обсуждение является важным этапом формирования экономической политики не только на стадии утверждения, но и на этапе разработки и внесения исправлений. Нами были сделаны предположения, что показатели запланированных достижений в рыночной экономике являются довольно относительными параметрами, поэтому результатами экономической политики могут быть технологические изменения, улучшения инфраструктуры и другие аспекты, которые не имеют валовых показателей или индексируемых изменений.

**Ключевые слова:** экономическая политика; принятие экономических решений; рекомендации экспертов; эффективность; транзитивные государства.

### 1. Introduction

Contemporary economic sciences are conducting an intensive search for the optimization of economic processes in society. Comprehensive study of the world economy is possible if only an expert network that combines academic research centers and structures that carry out applied research exists. The question of the recommendations' effectiveness in the field of economy is most clearly traced at the level of implementation of the economic policies of individual states. Leaving the political component beyond consideration, economic decisions and their implications should be taken into account. The economic policy of the transitive states is a

combination of measures aimed at achieving the welfare of society. The ability to effectively achieve this goal is determined not only by the ability of economic experts to produce certain ideas and concepts of economic development, but also by the ability of government officials to implement these recommendations in practice.

Contemporary economic policy involves the introduction of a significant number of innovations, which consist in the use of information technology, data collection, the use of artificial intelligence, etc. At the same time, the economic policy of each particular state should be incorporated into the global context and promote the implementation

of the benefits of the national economy in the international labor market.

As part of the economic policy or a specific economic course elaboration one's attention draws the issue of the information processing and proposals receipt. If expert centers generate reasonable ideas and recommendations, the issue is topical for the question how promptly these recommendations will be applied. Also relevant are intermediate structures that process information and prevent the promotion of relevant proposals.

The effectiveness of the recommendations' implementation also attracts the interest in connection with the international organizations' activity, in particular, International Monetary Fund. It places into agenda the methods of the evaluation of the relevant government structures and their analytical and forecasting units.

The regional dimension of cooperation between governments and experts is becoming more and more interesting. In the context of the economic policies implementation, the question is topical which countries are more effective or less effective in implementing the proposed strategies. The specifics of the communicative interaction of public experts and officials who formulate a particular economic strategy and how these links meet the objectives of effective communication are of great interest as well.

In the context of the interaction between the development of economic policies and expert structures, it is important to identify organizational principles and functional aspects of the activities of specific expert groups and campaigns, as well as the whole system of economic processes ensuring. To this end, it is expedient to use the structural-functional method. Within the framework of the state economic policy of transitive countries, it is important to identify the specific actors involved in economic policy-making and the allocation of responsibility for its results. Therefore, within the framework of state economic policy, it is necessary to distinguish between the areas of responsibility of the expert community and government officials for its results. It is also necessary to delineate the very system of making economic decisions. This task can be done by a systematic approach.

The establishment of the effectiveness of economic policies and the effectiveness of expert advice in time of transition can be carried out in a comparative context. The comparison should be done between the levels of economic policy and the various territorial regions. This makes it necessary to apply a comparative method.

## 2. Brief Literature Review

The problem of interaction between the institution of economic governance and economic experts is one of the most important in modern scientific discourse. Researchers are interested not in such a procedure procedural component of the interaction as in the essential features of the development of economic policy. For instance, E. Nakamura and J. Steinsson's model implies that information effects play an important role in the overall causal effect of monetary policy shocks on output (Nakamura & Steinsson, 2018). Researchers C. J. Kirabo, J. Rucker and C. Persico link school spending and school finance reform data to detailed, nationally representative data on children born between 1955 and 1985 and followed through 2011 within the study the effect of these school finance reform-induced changes in public school spending on long-run adult outcomes (Kirabo, Rucker & Persico, 2016). In return, L. Casaburi and U. Troiano consider, that political returns are higher in areas with lower tax evasion tolerance and with higher efficiency of public good provision, implying complementarity among enforcement policies, the underlying tax culture, and the quality of the government (Casaburi & Troiano, 2016). Furthermore, F. Boffa, A. Piolatto and G. Ponzetto pointed out, that single government in charge of many policies has better incentives than many special-purpose governments splitting its budget and responsibilities (Boffa, Piolatto & Ponzetto, 2016). As F. J. Bierbrauer and P. C. Boyer noted economic policies form unique symmetric equilibrium that are surplus-maximizing and, hence, first-best Pareto-efficient (Bierbrauer &

Boyer, 2016). Meanwhile Ch. D. Carroll highlighted that while empirical household expectations are not rational in the usual sense, expectational dynamics are well captured by a model in which households' views derive from news reports of the views of professional forecasters, which in turn may be rational (Carroll, 2003). German scholars M. Beraja, A. Hurst and E. Vavra have suggested that monetary policy-makers should track the regional distribution of equity over time (Beraja, Fuster, Hurst & Vavra, 2019). Using only the variation coming from measurement error, G. Chodorow-Reich, J. Coglianesi and L. Karabarbounis established, that benefit extensions have a limited influence on state-level macroeconomic outcomes. Researches applied their estimates to the increase in the duration of benefits during the Great Recession and found that they increased the unemployment rate by at most 0.3 percentage points (Chodorow-Reich, Coglianesi & Karabarbounis, 2016). As D. de la Croix, M. Doepke and J. Mokyr rightly argued, medieval European institutions such as guilds, and specific features such as journeyman-ship, can explain the rise of Europe relative to regions that relied on the transmission of knowledge within closed kinship systems (extended families or clans) (de la Croix, Doepke & Mokyr, 2018). At the same time, S. R. Baker, N. Bloom and S. J. Davis developed a new index of economic policy uncertainty (EPU) based on newspaper coverage frequency. They established that several types of evidence - including human readings of 12,000 newspaper articles - indicate our index proxies for movements in policy-related economic uncertainty (Baker, Bloom & Davis, 2016). At the same time, the peculiarities of the structural institutions that produce economic policy interaction with the economic expert community require further research.

**3. The purpose** of the article is to establish the peculiarities of the expert structures and system of economic policy formation interactions in the states with transition economy.

## 4. Results

The interaction of economic experts and centers of state economic policy-making (governments in transitive states) relates to several models, based on national experience in economic policy developing. The current strategic economic decisionmaking determines the level of involvement of economic experts in the formation of economic policies. This process are determined by the situation in each individual transitive country. However, modern sources (first of all, the works of the international expert network «Sustainable Governance Indicators» (SGI)) allow establishing a degree of cooperation between governments of transitive states and external economic experts. The most successful model of interaction is the model that is being implemented in the modern Czech Republic. According to an international team of experts data, «in the Czech Republic, there are several permanent or temporary advisory bodies and a number of public research institutions that are closely linked to certain ministries and the Government Office and partly depend on state funding. Within the cabinet, there is a unit consisting of consultants and advisers to the prime minister, whose task is to evaluate the substantive content of legislative materials and to prepare a strategic agenda for the government. Under Prime Minister Sobotka, the number of official advisers has more than doubled and prominent academics, researchers, and former ministers are among them. In particular cases, the government tends to follow external expert recommendations» (Sustainable Governance Indicators, 2018).

Considering the success and stability of expert-governmental relations and economic governance mechanisms, the current experts from SGI assess the high level of cooperation with academic experts in developing economic policy as a sign of the profound transformations of the whole system of economic governance during the democratic transition. They, in particular, put forward objective criteria for the development of the government-expert cooperation process. «How influential are non-governmental academic experts for government decisionmaking?» (Sustainable Governance Indicators, 2018).

The levels of cooperation between government officials and external experts determine the level of effectiveness of economic policy. This parameter is estimated by objective indicators that reflect the quality and number of interactions between governments and the expert community. According to international researchers, the Czech model is characterized by the following: «in almost all cases, the Czech government transparently consults with a panel of non-governmental academic experts at an early stage of government decision-making (Sustainable Governance Indicators, 2018).

The availability of regular consultations of government officials and experts at the strategic level is assessed as a positive trend in the transparency of economic policy in transitive states. In particular, in today's Czech Republic, the discussion of economic policy with experts is directly included to the procedures and stages of government decision-making. «For major political projects, the government transparently consults with a panel of non-governmental academic experts at an early stage of government decision-making» (Sustainable Governance Indicators, 2018).

The presence of sporadic contacts between governments and external experts in developing economic policies is only an initial stage in the transformation of the economic regulation system in transitive countries. It shows a departure from the authoritarian (closed) model of economic decision-making, but also indicates that cooperation with experts has not gained stable forms. According to SGI researchers, «In some cases, the government transparently consults with a panel of non-governmental academic experts at an early stage of government decision-making» (Sustainable Governance Indicators, 2018).

The presence of formal and non-transparent consultations during the development of economic policy shows, according to researchers, the low quality of reforms and their relatively weak rates. «The government does not consult with non-governmental academic experts, or existing consultations lack transparency entirely and/or are exclusively pro forma» (Sustainable Governance Indicators, 2018).

Contrary to the Czech model of economic policy-making openness and transparency with the broad involvement of external economic experts, the Polish model looks ideologically engaged and directly influenced by the ruling party leaders. This is a source of concern for analysts and observers. The presence of ideological guideline in economic strategies developing is quite contradictory in the context of liberal market reforms. As emphasized in Poland Strategic Capacity expert evaluation, while the PiS government consults with experts, policymaking has become ideologically driven rather than evidence-based. In the case of education reform, for example, expert assessments were almost completely disregarded. The government's ideological approach has led many experts who once showed some sympathy for PiS to break with the party (Sustainable Governance Indicators, 2018).

The adhococratic model of involving external academic experts in the economic decisionmaking on an informal institutional basis is peculiar to contemporary Bulgaria. Involving experts in the procedures for reviewing and adopting economic decisions relates, first of all, to the traditions of governments and specific ministries and agencies. Reviewing the Executive Capacity of Bulgaria analytics state, that «in Bulgaria, there are various ways to consult stakeholders and experts, including a special online portal at the Council of Ministers and more than 70 advisory councils. The government has also started to seek out expertise by forming public councils linked to specific ministries. There are no formal routines for consulting academic experts during the course of government decision-making, but representatives of academia and research institutes are traditionally included in the process on an ad hoc basis» (Sustainable Governance Indicators, 2018).

In contemporary Romania, the model of external economic experts and centers of development of state economic policy cooperation is implemented within the framework of a broad strategy of government-public cooperation.

It acquires forms of high institutionalization and involves a significant level of formalization of actors in policy-making and their contribution. In the context of Romania Executive Capacity, «cooperation between the Romanian government and non-governmental academic experts traditionally has been only weakly institutionalized. Under the Cioloș government, some progress has been made. Since November 2015, the newly created Ministry of Public Consultation and Civic Dialog has been responsible for facilitating communication between government and non-governmental experts and the greater society for major political projects» (Sustainable Governance Indicators, 2018).

At the same time, the attraction of civic experts in Romania to economic policy-making processes is tightly linked to the political situation. With the change of government, the approaches to the use of external advisory assistance are often changing. As international analysts say, under the PSD governments, however, the relationship between the government on the one hand and civil society and many academic experts on the other have been strained: «Minister of Education Liviu Pop, for example, has ignored criticisms of his decisions to weaken key oversight bodies and grant agencies (CNATCDU and UEFICDI) by appointing professors close to the PSD but lacking solid research and innovation records. Since mid-2016, foreign academics have been excluded from these bodies and they are no longer consulted before policy is submitted by government to parliament» (Sustainable Governance Indicators, 2018).

The experience of contemporary Slovakia shows that the development of economic policy requires attention within the framework of implementation of normative acts and specific reforms. The proactive role of external experts in this model is not foreseen. At the same time, it is possible to attract affiliated economic experts close to the current ruling team. Within Slovakia Executive Capacity evaluation, affirmed that «Slovak governments rely on various permanent or temporary advisory committees. The current government has 15 such bodies. Prime ministers have their own advisory body. Prime Minister Fico's advisers largely come from his circle of associates and include only a few truly independent experts. There are several public research institutions with close linkages to ministries that are largely dependent on state funding and provide their analysis to the government. However, the impact of any of these bodies on decision-making is not really transparent. Prime Minister Fico does not publicly include non-governmental academic experts outside of his circle in government decision-making processes» (Sustainable Governance Indicators, 2018).

Fairly interesting is the legal and regulatory framework for the government officials and experts cooperation in contemporary Croatia. The adoption of the Social Counseling Code has created a legal framework for involving experts in public opinion study in relation to issues related to government economic decisions. However, in transit conditions, this mechanism needs its further improvement. From the Croatia Executive Capacity it is evident that «The 2009 Societal Consultation Codex, which serves as a set of guidelines for the policymaking process, mentions the consultation of academic experts. In practice, however, the involvement of academic experts in the policymaking process remains rare. Moreover, it is largely limited to the early phases of policy formulation and does not extend to the final drafting of legislation, let alone the monitoring of implementation» (Sustainable Governance Indicators, 2018).

In general, it can be argued that one or another transitory country is the more economically successful the closer the actual cooperation of its economic government with external expert environment is. This, for example, is evidenced by the experience of contemporary Slovenia: «In Slovenia, the Government Office and the ministries have various advisory bodies that include academic experts. Prime Minister Miro Cerar, an academic himself, strongly relied on academic and practitioners' advice when establishing his party platform, coalition and government program. While the Cerar government has regularly sought external advice, it

has often failed to implement it» (Sustainable Governance Indicators, 2018).

In modern Central and Eastern European countries, the policy of the ruling political forces regarding the level of cooperation with non-governmental experts in the field of economic policy development can be based on the general principles of cooperation with non-governmental actors in public policy. In the aggregate, the level of cooperation between experts and government officials may depend on the subjective position of a particular political leader. The voluntarist foundations of the general political vector in the field of economic policy are reflected in the form of a selective reception of economic experts' advices, as well as in the creation of a certain pool of «particularly close» experts. As experience of contemporary Hungary testifies, «the Orbán governments have shown no interest in seeking independent advice and have alienated many leading experts who initially sympathized with them politically. The third Orbán government largely relies on two lavishly sponsored major policy institutes, Századvég and Nézőpont. Whereas Századvég has traditionally focused on the mid-term issues, Nézőpont has supported the government in everyday decision-making. In the period under review, there have been some scandals surrounding the financing of Századvég and the quality of its products. There is a relatively new, pseudo-professional Institute, Center for Fundamental Rights (Alapjogokért Központ), which tries to deliver legal arguments against the criticism of Orbán government by the EU institutions and/or the Hungarian professional NGOs as watchdog organizations» (Sustainable Governance Indicators, 2018).

On the contrary, in a situation where the political representation is balanced, and the domination of the coalition or ruling political forces does not have ideological consequences for the development of economic policy, the system of contacts between the direct producers of economic policy and experts is formed on a more pragmatic basis. It is stated on the principles of mutual interest and business relations. In contemporary Estonia, «The extent and impact of academic consultation is framed by the overall pattern of government decision-making. Limited strategic capacity in the center and a tendency to pass policy-formulation initiatives to the line ministries makes the overall picture fragmented and uneven. Final reports of the research projects are made publicly available on the websites of the governmental institutions that requested the study. However, 25% of these studies are not made public, and the remaining ones are difficult to find due to the varying web architecture maintained by the ministries and agencies. The quality of the terms of reference, and as a result the quality of the commissioned studies themselves also varies largely. Even more importantly, the majority of the studies (63%) were commissioned simply to obtain overviews of problems. The use of studies for policy decision-making purposes was clearly proven in the case of 46% of those reviewed» (Sustainable Governance Indicators, 2018).

Institutional openness for governments' economic policies developing is an important indicator of the success of economic reforms and a strategic course on democratization. The decisive significance has self-sufficiency of the expert environment functioning, regardless of political changes during the period of democratic transit. As the example of modern Latvia shows, «the decision-making system is transparent and open to public participation from the point at which policy documents are circulated between ministries in preparation for review by the cabinet. At this stage, experts and NGOs have the opportunity to provide input on their own initiative» (Sustainable Governance Indicators, 2018).

An important factor in the new approaches implementation to the development of economic policies in a transit state is special commissions and institutes establishing, which carry out cooperation between state and non-state experts. An example of such cooperation is the practice of contemporary Lithuania. «Lithuanian decision-makers are

usually quite attentive to the recommendations of the European Commission and other international expert institutions. They are also receptive to involving non-governmental academic experts in the early stages of government policymaking. The governments led by Andrius Kubilius and Algirdas Butkevičius set up some expert advisory groups (including the so-called Sunset Commission, which involves several independent experts)» (Sustainable Governance Indicators, 2018).

One of the leading forms of government-expert cooperation in developing economic policy in transitive countries is the holding of conferences, discussions and other public events to consider topical issues of innovations in economic policy. For example, in contemporary Poland «the topic of the European Union has been discussed in various contexts, including road infrastructure, railway infrastructure, investment, raising funds, financing and accounting for tasks, current perspectives, past years and the future of the community. The debate is referred to both the global, European, nationwide and local dimensions. The subject of the 15<sup>th</sup> anniversary in the EU has been raised from the point of view of experts, economists, politicians and residents» (Ciechanów CC, 2019).

An important aspect of advancing expert opinion to the environment for the government economic decision-making is the public articulation of necessary changes by experts by their own initiative. In particular, under the condition of weak cooperation of the current government of contemporary Poland with non-governmental economic experts, the latter form a special informational background, which reflects the most important economic problems of a transitive society: «In order to implement socio-economic reforms and to improve the quality of life of residents, proper taxation is needed, including reducing the so-called tax wedge, as well as clear and legible legislation. Poles were proposed, among others, smaller ZUS, lower PIT, VAT matrix or business constitution» (Polskie Radio 24, 2019).

Institutionalization of public economic debates takes place under the conditions in which academic institutions occupy the leading place, oftentimes providing a place for discussion. As Polish media states, «In a three-and-a-half hour debate, 25 experts took part in the Polish Academy of Sciences headquarters. Invitations were sent to more than 40 economists» (Polskatimes, 2019).

At the same time, such meetings are not overlooked by representatives of the highest power establishment. In particular, in Poland, the top political management of the country seeks to demonstrate its leading role in developing the conceptual framework of economic policy. According to the Polish sources, «the debate began and ended with a short speech by the PiS President Jarosław Kaczyński. The discussion was divided into issues: general diagnosis of the economic situation, PiS proposals on the tax system as well as solutions regarding the labour market and pro-family policy» (Polskatimes, 2019).

Cooperation between governments and non-governmental experts in developing economic policies in certain transit countries is developing against the backdrop of attempts by ruling political forces to finally subordinate the activities of non-governmental organizations on the basis of changing the principles of their financing. Regarding to European media, «a controversial new law regarding Poland's NGOs awaits the signature of President Andrzej Duda. With his veto of two of the nationalist conservative's justice reform bills, he renewed the hopes of many who had been downtrodden by the country's slide to the populist right. But since Thursday evening, Poland's downtrodden now includes tens of thousands of NGOs» (Deutsche Welle, 2019).

A significant trend, indicating a change in the environment for the non-governmental economic experts activity in contemporary Poland, is the government's initiatives for centralized funding of non-governmental organizations. The open question remains how independent of the ruling party in such conditions are the centers of foreign economic expertise. As European media point out, «no later than

November, all nongovernmental organizations are to be centrally funded. Currently, funding comes from ministries and local administrations. A new funding body, the National Freedom Institute - Civil Society Development Center, will be attached to the prime minister's office. Prime Minister Beata Szydło (pictured above) is a loyal member of the ruling Law and Justice Party (PiS)» (Deutsche Welle, 2019).

Formalization of cooperation between governments and economic experts in certain cases becomes permanent, on the basis of the formation of institutions representing interested parties at the national level. According to the experience of contemporary Hungary, the creation of the National Economic and Social Council makes it possible to participate directly in the development of economic policy and articulates the positions of the parties with a special attitude towards the development of the national economy. As Hungarian authorities state, «the NESO is a consultative, proposal-making and advisory body independent from Parliament and the Government. The NESO has 32 members, representing the Hungarian civil society, creating the following sides:

1. Side of Representatives of Economy: advocacy groups and organizations of employers, national business chambers.
2. Side of Employees: advocacy groups and organizations of employees.
3. Side of NGOs: NGOs active in the field of national policy.
4. Side of Representatives of Sciences: Hungarian representatives of academia.
5. Side of Churches» (NGTT, 2019).

Thus, the representation of the independent economic experts opinion in the processes of developing economic policy at the national level has different forms, dynamics and effectiveness. The given data show that liberalization and economic growth during socio-political transformations are determined the most complete consideration of existing economic alternatives and expert positions in the development of government economic policy. At the present stage, despite considerable progress in modernizing the economy and European integration, some transit states of Central and Eastern Europe show a step back from the principles of openness and broad discussion of economic strategies. This indicates the domination of political considerations over economic in the processes of economic policy-making (see Table 1).

The authority of economic experts in the academic field in promoting alternative ideas on economic policy is confirmed by high rating indicators of academic science representatives in social networks. The issue of the validity of economic information produced by experts finds the answer based on the influence of the opinions of specific experts among interested consumers of such information. These figures are generated by the team of Focus Economics based on the number of hits of Internet users. In particular, in today's USA, the 75 most distinguished experts recommended by the Twitter 63 networks have links with leading universities or academic research centers on economic issues. As observer claims, 75 Top Economics influencers such as academics, journalists, industry professionals and even central bankers frequently use Twitter to share their daily thoughts on all things economics, finance, monetary policy and politics in concise yet informative 240-character Tweets (Focus-Economics, 2019).

The quantitative composition of non-governmental organizations, involved in cooperating with governments in the field of economic policy-making depends on the general specificity of the nongovernmental actors participation in the practices and procedures of public governance. Under the conditions of a large number of non-governmental organizations, the profile of economic advisory structures can «dissolve» among other actors of civil society, focused on cooperation with governments. For example, in contempo-

Tab. 1: Specifics of interaction of external economic experts with governments of Central and Eastern Europe transitive countries

| Country        | Interaction Model     | Consequences for Economic Policy                       |
|----------------|-----------------------|--|
| Czech Republic | Tight, continuous     | Transparency increasing, growth of scientific validity |
| Poland         | Limited, dependent    | Non-transparent, controlled by the ruling party        |
| Bulgaria       | Adhocratic            | Flexible, open to change                               |
| Croatia        | Normative             | Related to legal procedures                            |
| Slovakia       | Selective, Affiliated | Fixing of Sporadic                                     |
| Slovenia       | Tight, continuous     | Increase of transparency, scientific validity          |
| Romania        | Formalized            | Related to legal procedures                            |
| Hungary        | Selective, Affiliated | Opaque, controlled by the ruling party                 |
| Estonia        | Scientific, academic  | Increase of transparency, scientific validity          |
| Latvia         | Transparent, public   | Increase of transparency, scientific validity          |
| Lithuania      | Institutionalized     | Increased transparency, scientific validity            |

Source: Compiled by the authors based on Sustainable Governance Indicators by the International Research Agency, available at <http://www.sgi-network.org>

rary Poland at the beginning of 2018, over 22,000 foundations and almost 112,000 associations were registered (among the latter, 16.6 thousand were voluntary fire brigades) (Portal of the Non-Governmental Organizations, 2019).

Diversification of alternatives in economic management decisions in the context of democratic transit is associated with the structural peculiarities of non-governmental expert structures in the states of Central and Eastern Europe. In modern Poland, significant efforts are being made to develop the third sector and to involve it in governance processes at all levels. According to Polish experience, in 2017, the main partner of cooperation for non-profit sector entities were public institutions: 80.4% of organizations declared their cooperation with the government, local government or subordinate units (Statistics Poland, 2018).

The results of the expert analytical structures activity in the transitive states of Central and Eastern Europe are a comprehensive analysis of the economic situation on the basis of existing scientific approaches. The profile of expert economic structures is formed on the basis of the declaration of their professional approach to the study of economic phenomena (EBRD, 2019).

The main task of experts who are not part of the institutes of transitive countries' state economic management, is to provide extraordinary approaches to solving the tasks of transitive economic policy. The products of the external experts activity are economic ideas, which enable to implement plans for economic growth, the introduction of European business practices, and the self-regulation of economic processes (Markusen & Trofimenko, 2009). In this case, information dissemination approaches are important. Among them the most important are the universality of the recommendation, the possibility of integrating the analysis into all known facts of economic development of each particular country, the ability of academic and public experts to be within the mainstream trends of economic development. This ability is provided by the experience of their participation in specific business projects, which allow realizing profit growth, increase of business competitive advantages, providing useful consultations for management and marketing departments. Exactly such products serve as a criterion for advancing economic experts to work with governments in developing economic governance strategies (Markusen & Trofimenko, 2009). The possibility of correction of economic policy based on the products of the activity of economic experts arises if dynamic planning and coordination of the actions of the authorities are carried out in situations of uncertainty or requires attention to the risks accompanying the decision-making. In such circumstances, specific anti-crisis strategies, developments and projects that can reduce the degree of uncertainty, and strengthen the validity of economic policies by governments and institutions are important. At the same time, cooperation with public governance institutions in transitive states encounters significant obstacles. Their overcoming involves the dissemination of information, the provision of advisory assistance, networking partnerships of public actors. As Polish sources state, most often, in partner relations with public institutions, the examined

organizations were disturbed by bad, unclear regulations and legal procedures, about which 13.4% of cooperating units complained. The percentage of entities accusing them of the lack of partner relations and the instrumental treatment by the public partner was slightly smaller (11.1%). The lack of knowledge on the part of the partner about cooperation was less common (6.9%). This problem in turn dominated in relations with enterprises - it was indicated by 11.7% of cooperating organizations, and the lack of partner relations, instrumental treatment in cooperation with partners from the commercial sector were burdensome for 5.9%. Within the framework of intra-sector cooperation, the lack of knowledge on the part of the partner about cooperation mentioned 7% of cooperating organizations and the conflict of interest, indicated by 6.7% of organizations, were most visible (Statistics Poland, 2018).

The problem of expert economic structures financing is quite acute for the economies of the EU member states and partner countries. Due to the lack of interest of economic entities in financing research and expertise, some non-governmental expert centers are actively using foreign support. In addition, international experts are actively disseminating their network in transition countries. On the example of the modern Czech Republic it can be seen, that the mechanisms of strategic macroeconomic assistance can contribute to the establishment of government-expert cooperation. According to EEA Financial Mechanism newsletters, the overall objectives of the EEA Financial Mechanism 2014-2021 are to contribute to the reduction of economic and social disparities in the European Economic Area and to the strengthening of bilateral relations between the Donor States and the Beneficiary States. The total amount of the financial contribution is EUR 1548.1 million in annual tranches of EUR 221.16 million over the period running from 1 May 2014 to 30 April 2021 (EEA and Norway Grants, 2019).

Foreign financing of non-governmental economic expert and advisory organizations in transitive states creates, on the one hand, the special environment and professional discourse on economic problems. On the other hand, focusing on global centers of global economic policy-making allows experts to consider innovative approaches to managing market economy, enable technological change to be promoted from the global to national level (Tassej, 2017). The economic expert structures financing by international organizations takes place on the basis of competitive procedures, which increases the validity of the recommendations (Mervar & Nestiæ, 2000). Comparison of efficiency of government economic policy and the participation of experts with regard to the purpose of the project, the source of its financing and the expected results are presented in Table 2.

The experience of modern transitive states of Central and Eastern and Southeastern Europe in the sphere of government-expert cooperation enables to build the optimal stages of economic policy development (Figure 1).

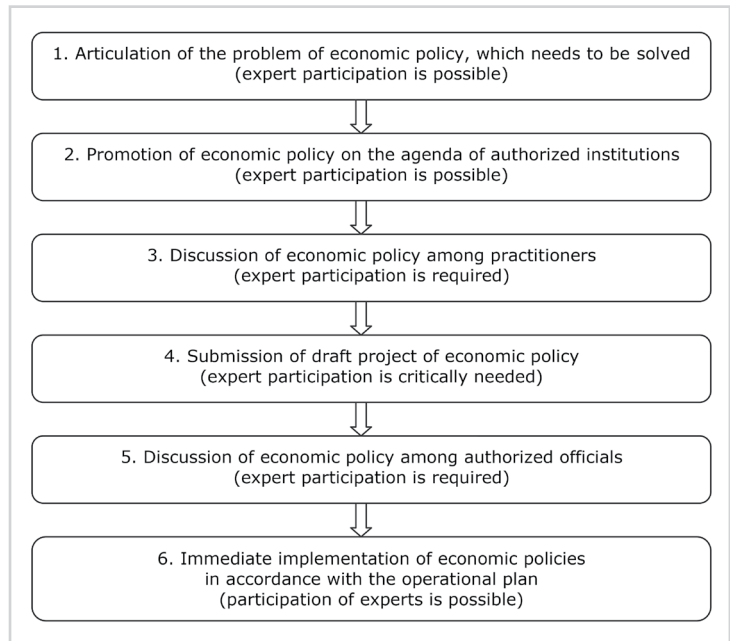


Fig. 1: Stages of economic policy development with expert participation

Source: Compiled by the authors based on materials by the Government of the Republic of Croatia (2019)

Thus, the main recommendations for the contemporary transition countries governments in the context of cooperation with external experts should be:

- the development of an institutional model, inherent both for the expert environment, and for officials directly responsible for the development of economic policy;
- the measure of current interest is the rating of credibility or the ability of expert centers to relate the validity of their information and recommendations;
- the significant importance has the dialogue or multilateral contacts establishing with the expert community for the exchange of opinions and proposals;
- it has to be find contacts with organizations that represent significant actors or reputable international organizations to provide strategic cooperation.

**5. Conclusions**

The interactions of public experts and government officials who are responsible for the development and implementation of economic policy, forms perspective opportunities that enable, first of all, the economic situation unbiased analysis, secondly, putting forward creative and non-standard ideas, and, thirdly, developing economic policies in accordance with the latest achievements of economic science.

Challenges in this are include increasing the diversity of economic actors, multi-vectoring concepts, different levels of training and expert experience. In this regard, it is difficult for government officials to select the group's priority experts or to follow certain conceptual or methodological approaches when developing their economic policies.

Tab. 2: Efficiency of government economic policy and the participation of experts

| Country        | Objective of economic policy                   | Form of participation of experts                   | Result   |
|----------------|--|--|--|
| Croatia        | System of economic reforms                     | Provide ongoing consultations with state agencies  | Ensuring economic growth   |
| Czech Republic | Improvement of economic development mechanisms | Execution by EU-funded grant projects              | Experts ensuring institutional capacity of the state within the framework of Eurointegration |
| Bulgaria       | System of economic reforms                     | Promoting economic reforms to the political agenda | Transition from economic stabilization to economic growth                                    |
| Poland         | Improvement of economic development mechanisms | Adjustment of conditions for entrepreneurship      | Stabilization of economic growth   |

Source: Developed by the authors based on: An Economic Reform Agenda for Croatia (2016), D. Kyrkilis (2007), S. Estrin & T. Mickiewicz (2010)

Performance criteria are also a cause for concern, since the economic policy is formally contained in certain normative regulations (see Hirschman & Berman, 2015). Its results often differ from those declared in the market economy conditions. The planned indicators achievement in the market economy is a fairly relative phenomenon, so the results may be technological changes, infrastructure improvements and other aspects that do not have gross indicators or index changes. In this context, the careful consideration of the elaboration of expert proposals is an important factor in the legitimization of economic policy.

International expert structures and national realities are a special factor in public-civic partnership in economic policy-making. The interaction of national government structures and international expert institutions adds new dynamics to the processes of economic policy development. Most countries of the contemporary world somehow interact with inter-

national financial organizations. At the same time, such contacts are determined not only with the interests of the country, but also with the quality of technological cooperation. In this context, the choice of multiple alternatives complicates economic decisions making. Increasingly important and relevant are the activities of experts in evaluating and participating in reforms. This form of activity has a great significance for contemporary Ukraine. In conditions when the experts have an external position and do not assist the process of reform, their effectiveness is greatly reduced.

Optimal cooperation and team approach are the main means of balanced relationship establishing between actors in the economic policies formation and professionals who study economic processes and provide recommendations. In this aspect, elements of leadership, efforts' concentration aspects and professional knowledge for the chosen purpose are important.

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