

The paper “Welfare against growth gains in post-transition countries. What are the consequences for stability?” is very interesting and it deals with a very actual theme, very contingent and at the frontier of the research. It explores the endogenous reasons of this crisis, in post-transition economies, new member states of the EU. It focuses in particular on the possible link between uneven income distribution, unequal growth of household incomes and instable growth driven by credit consumption. The paper manages to reach this objective.

My main suggestion is the following:

Table 14 illustrates the difference between growth of labour productivity and of labour costs. On the basis of these differences the author could really show IF and HOW the economic growth in transition economies was really uneven, and whether income distribution was worsening. In fact differences suggest that there is gap between productivity gains and effective earnings on the basis of which one can draw interesting conclusions. The author does not explore this theme which I think is crucial. It can easily be done looking at differences country by country. Possibly, the differences between positive labour productivity and earnings maybe be attributed to profit growth and this would demonstrate the worsening of income distribution, the need for borrowing and the “biased” incentives for credit consumption. It would be important also to see the dynamics of capital gains (profits) in post-transition economies.

Since the author has interesting data, it would be nice to see also a possible model, with dependent variables (credits, consumption, earnings, inequality...) and a dependent variable such as growth or intensity of recession.

Other minor suggestions:

- Why Netherlands is often chosen as a benchmark country? It can be EU15 or EU27 (even without Germany)
- Table 1 : “Cumulated growth 2008/1995” should be “average growth 2008/1995”
- P.10 check typo at mid page ...“on the one hand ,..”
- Conclusions need to go more in the content of the paper and in the results.