

## GUEST EDITOR'S INTRODUCTION

### Symposium on Sustainability of Fiscal Policy and Effects of Skill Gaps

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The first two articles in this issue of *Eastern European Economics* relate to the international conference series "Economic Challenges in Enlarged Europe," which celebrated its tenth anniversary in 2018. This annual conference series, held in Tallinn, Estonia, has been organized by the Department of Economics and Finance at Tallinn University of Technology, in cooperation with the Bank of Estonia and the Association for the Study of East European Economies and Cultures. The two articles selected for this issue cover some interesting aspects of fiscal policy and labor market segregation.

"Sustainability of Public Finances in European Economies: Fiscal Policy Reactions and Market Pricing," by Tomasz Łyziak and Joanna Mackiewicz-Łyziak, seeks to assess fiscal discipline in European Union member states. In addition to estimating fiscal reaction functions, the article considers perceptions of fiscal policy sustainability by financial markets, suggesting that fiscal policies in the studied countries are sustainable taken as a whole.

"Wage Gap in an Ethnically Segmented Labor Market: The Role of Cognitive Skills," by Svetlana Ridala and Ott Toomet, provides an analysis of the ethnic wage gap in Estonia. The authors seek to identify whether the wage gap may be explained by a difference in skills, or, as they suggest, by labor market entry barriers and segregational aspects.

On behalf of the Conference Committee, I would like to express my gratitude to all the conference participants, submitting authors, and article reviewers, as well as the organizations that supported the event—Department of Economics and Finance at Tallinn University of Technology, the Bank of Estonia, and the Association for the Study of East European Economies and Cultures, with special thanks to Professor Josef C. Brada. This project has received funding from Horizon 2020, the European Union's research and innovation program under Marie Skłodowska-Curie Actions No. 734,712, and support from the European Regional Development Fund of the European Union.

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