

Consumers' Opinion of Inflation Bias Due to Quality Improvements in Transition in the Czech Republic

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Abstract

Substantial understatement of the degree of quality improvement during transition, and, therefore, a substantial overstatement of inflation rates has resulted in a serious downward bias in estimates of the rate of growth of post-communist economies. The move to free markets has apparently improved consumers' welfare more by improving what they can purchase than by increasing how much they can purchase. Examining 63 products, focus group respondents in the Czech Republic reported that if they were to purchase the 1990 quality product today they would only be willing to do so at a average of 54 per cent of the current price for the current quality product. This implies that the actual increase in prices for the decade for these products 66 per cent instead of the official 139 per cent. Overall, mismeasurement of quality changes may have understated Czech growth rates during the first decade after communism by as much as 5 percentage point per year.

Abstrakt

Příliš nízké odhady vlivu kvality zboží na jeho cenu během přechodného období mají vliv na výrazně vyšší hodnoty inflace a tím pádem nižší růst hrubého národního produktu v přechodových ekonomikách. Přejít k tržní ekonomice měl z hlediska spotřebitelů větší vliv na to, co si mohou koupit než o kolik se zvýšila cena nabízeného zboží. Skupiny spotřebitelů v České republice zkoumaly 63 produktů a dospěly k závěru, že pokud by nakupovaly produkty z roku 1990 v současnosti, byly by ochotny platit pouze 54% současné ceny. To znamená, že skutečný růst cen pro tuto skupinu zboží by byl pouze 66% místo oficiálních 139%. Celkově můžeme říci, že vliv vzrůstající kvality zboží mohl mít vliv na růst české ekonomiky až 5 procent ročně.

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