Polish Economic Society
200 years of tradition
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ladies and Gentlemen

For the first time the Polish Economic Society (PTE) has prepared the Bulletin in English and hence, it is different than those directed to our members in the 23 PTE Branches throughout Poland, as well as to students and teachers of economics, business practitioners, etc.

This Bulletin is addressed mainly to foreign readers, who do not know our Society. The main objective of this publication is to provide information about the nature and activities of the PTE. After a general presentation of our Society and its history, we present selected forms of our activities such as: Thursdays at the Economists, the Economic Knowledge Competition, the Forum of Strategic Thinking, international cooperation, publishing, activities of the PTE Branches, and activities of the PTE Research Council. In particular, we devote a lot of space to the 9th Congress of Polish Economists which took place in November 2013. As demonstrated by the history of congresses of Polish economists, they were held in highly diverse socio-economic and political conditions, hence the slogans of congresses were kind of a sign of the times. (See: http://www.kongres.pte.pl/kongres/idea-kongresu.html).

In addition, the reader will find brief information in the Bulletin about the Forum of the Presidents of Economic Societies in the countries of Central and Eastern Europe which was organized by our Society. The Bulletin also recalls the profiles of the deceased prominent Polish economists such as, Michal Kalecki, Oskar Lange, and Tadeusz Kowalik.

The Bulletin is addressed to economic societies in other countries, and through them to a wide range of economists abroad. Reading the Bulletin should introduce them to the nature and objectives of our activities, as well as their scope and scale and encourage them to establish cooperation with us. Both the National Board of the PTE and our Branches are open to such cooperation.

The Bulletin is also addressed to economists of Polish origin, who for many years have lived abroad, whether as academics or in business. With many of them we maintain constant cooperation; they participate in our seminars and congresses. Some of them have sent their CVs which we have posted on our website (www.pte.pl). We are very keen on expanding such cooperation and we hope that our Bulletin will contribute to this. This may be scientific, business, or organizational cooperation.

At the same time through the Bulletin we encourage you to become interested in Poland and in the changes in its socio-economic situation. Poland owes its economic successes among others to investments. Therefore, in the Bulletin, we present information on the Polish Investments for Development as an institution oriented on measures to intensify infrastructure investment in Poland. We invite you to visit our English website.

Elżbieta Mączyńska, Stanisław Rudolf, Artur Pollok
Excerpts from the Statute of the PTE

The Polish Economic Society (PTE) is an independent association of economists and is a legal entity.

The goals of the Society are to:

1. Promote the economic thought and contribute to the development of economics and present its achievements,
2. Improve professional qualifications of economists,
3. Focus on the lifelong learning of teachers of economic subjects,
4. Inspire and support the activities aimed at the social, economic, and spatial development of the country in an environmentally friendly manner,
5. Promote economic knowledge and disseminate economic culture amongst the general public,
6. Protect professional interests of economists,
7. Integrate economists from academia and business,
8. Publishing, co-publishing and supporting in other form publications on economics and other social sciences, including the “Ekonomista” magazine, as well as promoting socio-economic knowledge through the mass media,
9. The Economic Knowledge Competition, in cooperation with the Ministry of National Education,
10. Assessment and economic expertise and information activities in the field of socio-economic issues,
11. Initiating and conducting research in the field of economics and other social sciences,
12. Awards for outstanding achievements in economic sciences and for the implementation of effective management methods,
13. Setting up and running high schools, universities, and research institutes of the socio-economic profile,
14. Participating in the development, modernization, and dissemination of curricula and training in socio-economic issues,
15. The dissemination of the principles of professional ethics and ensuring their observance,
16. Setting up and running houses of creative work, clubs, libraries and reading rooms, and Internet portals,
17. Cooperation with state administration and self-governments,
18. Cooperation with national and international associations and other entities.

The principal authorities of the Society are: the National Assembly, the National Board, the National Audit Commission, and the Arbitration Board.

The Branches are the basic organizational units of the Society, they have legal personality. The resolution to appoint the Branch Society is passed by the National Board of the Society at the request of the founding group consisting of at least 15 people.
The thoughts and recommendations in these documents are an important point of reference even today, in the current activities of the PTE. This concerns also the message formulated nearly 100 years ago, contained in a speech delivered on 1 March 1921, by Baron Jan Götz-Okocimski on the occasion of the establishment of the Polish Economic Society in Krakow: “We want to be the eye that sees wealth slumbering in the country and the population. We want to be the ear that catches general needs and means striving to satisfy them. We want to be the brain that is considering, criticizing, and shows the way. However, our activities will not be only on paper, didactic or agitative. We shall do our best so that everything we shall say or write shall be turned into action. (...) We do not want to be either a school or academy; our ambition is to become a central source from which all production needs to learn in order not to fall into stagnation, not wither, not die, and not surrender to the difficulties and obstacles”.

It seems that currently the timeliness of this message is not only diminishing, but due to the increasing complexity of the economy and its turbulent changes, gains in importance. Daily life proves that solid economic knowledge helps one not to surrender to the difficulties. Measures for the dissemination of this knowledge are therefore necessary in any system in which such knowledge is one of the fundamental factors in economic decision making and rationalization of economic decisions. Deficiencies in such knowledge can lead to a variety of severe, adverse events, confirming the well-known aphorism that the market has no enemies, but it has many victims.

The relevance of this aphorism has been spectacularly confirmed by the largest crisis in the post-war period, which started in 2008, in the U.S. and has not yet, in my opinion, been fully resolved in the global economy, and by some economists is regarded as the first crisis of globalization. This crisis has evolved and is still evolving from the real estate crisis in the United States, to the global financial crisis, to the economic crisis, and to the debt crisis – still felt today by many countries.

The extent and depth of the crisis intensify the controversies and are the source of sometimes extreme assessments of the mission and the place of economics in shaping the socio-economic transformations. Controversies concern the practical utility of the basic trends of economic theory and their relevance to economic reality. The crisis has revealed deep failures in the global economic system, pointing to the challenges facing economists. Therefore, one can regard as almost a memento the thought formulated nearly 70 years ago, in 1946, by the American economist Henry Hazlitt (1894-1993): „The art of economics consists in looking not merely at the immediate but at the longer effects of any act or policy; it consists in tracing the consequences of that policy not merely at the immediate but at the longer effects of any act or policy; it consists in tracing the consequences of that policy not merely at the immediate but at the longer effects of any act or policy“.

This sentence is consistent with the ideas that underlie activity of the Polish Economic Society which is reflected in its statutory purposes. The PTE’s priority task is to spread the economic knowledge, taking into ac-
count the developmental challenges facing Poland. This is all the more important because unfortunately, Henry Hazlitt’s opinion has lost none of its relevance “Economics is haunted by more fallacies than any other study known to man”.

In 1985, in a similar vein, Milton Friedman said that economics is a fascinating discipline, but still insufficiently known, understood and used in practice. “What makes it most fascinating is that its fundamental principles are so simple that they can be written on one page, that anyone can understand them, and yet very few do.”

The following projects implemented by the PTE are focused on disseminating economic knowledge, understanding of economics, and its rational use in practice:

- Congresses of Polish Economists,
- Seminar “Thursdays at the Economists”,
- Forum of Strategic Thinking and other conferences and seminars,
- Publishing, among others, books in the series “Nobel Prize in Economics”,
- Economic Knowledge Competition and other educational programs,
- International cooperation.

These projects are more extensively presented further in the Bulletin. The projects are implemented by the National Board of the PTE and 23 Branches in the country and by the Scientific Council of the PTE in collaboration with external partners, including universities, the Lech Walesa Institute, the Polish Federation of Engineering Associations, the Association of Accountants in Poland, the Scientific Society for Organization and Management and the Council of Scientific Societies. The projects are reflected in our Bulletin of the PTE which is an important form of information on the current activities of the PTE and one of the forms of promotion and popularization of economic knowledge. This information is also presented in detail on the PTE website http://www.pte.pl/.

Given the characteristics of the current political situation in Poland, and the intransigent, sharp, political disputes between political parties, although formulated decades ago, the record of 1921, contained in the statute of the Economic Society in Krakow, remains farsighted today: “The submission of party and political disputes to the work of the Society is forbidden.” Hence, the Polish Economic Society is an apolitical organization. This does not mean, however, that in economic matters the Society should not maintain close cooperation with representatives of the state and local governments. Such cooperation can promote the rationalization of the economy, and this is one of the main objectives of

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2 Ibid.
4 Article 5 of the Statute of the Economic Society in Krakow, passed on 1 March 1921.
the PTE. Hence, the PTE is a forum for debates and exchange of views between representatives of the authorities, scientists, and economic practitioners.

The debates on the PTE forum attract the attention of many institutions, including the central institutions such as the Ministry of Regional Development (now Ministry of Infrastructure and Development), the Ministry of Science and Higher Education, the Ministry of Economy, the Ministry of Education, the Ministry of Health, the National Polish Bank and parliamentarians, MPs and senators. The PTE is asked by many institutions to start or develop cooperation. This cooperation is reflected in a number of projects including expertise reports, public speeches of members of the PTE, seminars, and national and international conferences.

These actions are the result of a joint effort of all bodies of the PTE, and the result of the social work of the members of the Society. There is no way to present the full quantitative effect of the activities of the PTE, the more so as it follows from the aphorism attributed to Albert Einstein (although this authorship is problematic): “Everything that can be counted does not necessarily count; everything that counts cannot necessarily be counted.”

The PTE is still facing new challenges. Undoubtedly, much remains to be done. This applies in particular to cooperation of the National Board of the PTE with the PTE Branches, as well as national and international partners of the Society. The PTE Branches have legal personality which is conducive to new initiatives (e.g., aimed at raising funds from the EU funds) and cooperation not only with units operating within the structures of the PTE, but also outside them, especially with partner organizations. Such cooperation creates opportunities for positive synergy in the implementation of the statutory objectives of the PTE. At the same time it can promote the development of all units cooperating with our Society.

Implementation of the statutory tasks of the PTE would not be possible without raising funds for their financing. The sources of these funds were primarily:

1. Rental of rooms in a tenement building owned by the PTE,
2. Sponsors – both legal persons and members of the PTE,
3. European Union funds.

Financial resources are a consequence of a number of pro-efficiency measures in property management and the functioning of the Office of the National Board of the PTE. These involved the intensification of business and the intensification of the work of this Office. Of key importance was the modernization carried out at the House of the Economist in Warsaw, Nowy Świat 49 – the seat of the national authorities of the PTE. The modernization not only increased the revenues from renting office space, but primarily provided higher quality service and better conditions for seminars, conferences, and other works taking place in the headquarters of the National Board of the PTE.

We hope that this Bulletin will stimulate new ideas and projects to develop economic knowledge. At the same time it will stimulate the rationalization and development of the PTE and its co-operation with various institutions and economists in the country and abroad. We hope that this Bulletin will encourage interested institutions and individuals to get in touch with us. The Office of the National Board of the PTE as well as its management and employees, and above all the authorities of the PTE presented in this Bulletin are at your disposal.

Seminar in Vlotho, August 2013, Lars Vogel, Director of the Ludwig Erhard Foundation in Bonn, Professor Piotr Pyz, School of Finance and Management in Bialystok, Fachhochschule für Wirtschaft und Technik Vechta / Diepholz / Oldenburg

Professor Elżbieta Maczyńska hands out to Marek Belka, President of the National Polish Bank, the award for his contribution to the development of economic knowledge of society.
An Outline of the History of the Polish Economic Society

The roots of the Polish Economic Society (PTE) and of the Polish social economic movement date back to the 16th century, to the Renaissance in Europe.

Poland regained independence in 1918 and this fact posed new most important challenges for the whole of society, dictated by the necessity of political and economic reconstruction of the country, destroyed both by partitions and war operations. Economists began to seek such organizational forms for their activities, which would be conducive for the reconstruction of the state. Three years after the end of the First World War the first two independent associations of economists were established in Poland - the Polish Economic Society, which was established on 27 February 1921 in Lviv, and two days later – on 1 March of the same year – the Economic Society in Krakow. These societies have played a major role in the development of Polish economic thought of the interwar period, as well as in strengthening the reborn Polish state.

From the very beginning the activities of the two societies were subordinated to the overriding aim to strengthen the economy of the reborn Polish state. The economists from societies were well aware of the fact that “poor” economy threatened the internal stability of the state and its international security. They focused economists were well aware of the fact that “poor” economy threaten the internal stability of the state and its international security. In 1921 Poland was, admittedly, a country with a relatively formed political system, but was still confronted with a number of serious economic problems, especially the underdevelopment of the industry. In the first half of the twenties of the last century the problems were aggravated by serious budget difficulties, which turned into currency crisis, the largest in the history of Poland, resulting in inflation on an unprecedented scale. The late twenties of the last century brought the deepest economic slump in the history of the capitalist economy, which triggered the global economic crisis with its effects stretching for almost the entire third decade of the twentieth century. All these issues were of particular concern of activists of both societies.

The Polish Economic Society in Lviv and the Economic Society in Krakow were conducting extensive research, reading, journalistic and publishing activities, focused on searching the measures to solve the problems facing the Polish economy. In the most important matters, these societies were putting forward legislative initiatives and were sending to the state authorities memorials, in which they presented their position on the subject matter, as well as were suggesting taking certain preventive measures. The outbreak of the Second World War in 1939 disrupted the 18-year period of extremely active business activities of both societies and also made it impossible to carry out the Second Congress of Polish Economists in Krakow.

After the end of World War II the Polish economists once again faced the political and economic challenges. The regional associations of economists have not been, however, reactivated. The idea of a nationwide social organization of economists prevailed, the one that would gather economic researchers and practitioners from all over the country. As a result, on 1 and 2 December 1945, the representatives of the economists from Warsaw, Lublin, Lodz, Krakow, and Poznan took part in the founding congress of the Polish Economic Society which took place in Lodz. The representatives of Lviv economic environment did not take part in the congress. It is significant, however, that when during the congress the name for the social organization of economists was searched for, it was decided to name it the “Polish Economic Society,” the same which society in Lviv bore. In this way, the contribution of Lviv in the development of the social movement of Polish economists has been commemorated.
During this congress, a national organization with branches located in major academic centres was set up instead of previously existing regional associations of economists. The development of the publishing activity was regarded as the most urgent matter. As a result of the war the scientific and educational base of the country was in fact ravaged. There was a shortage of textbooks at all levels of economic education, shortage of publications of Polish economists and translations of foreign books. It was also decided to resume the "Ekonomista", a scientific journal founded in 1900, dedicated to science and the needs of economic life, which took place in 1947. According to the plan of the founders of the Polish Economic Society in major academic centres general assemblies of local communities of economists took place and convened branches of the Society.

In December 1950, during the First Congress of the Polish Economists the participants stressed in a resolution their willingness to actively participate in the construction of socialism in Poland. The Society focused on Marxist economics which was the primary and for a long time the only subject of research and educational and practical activities. The Society has become an instrument of influencing the society, promoting the economic policy of the government, created by the leadership of the Polish United Workers’ Party.

In June 1956, the 2nd Congress of Polish Economists took place and opened a new phase of the Society’s activity. In consequence a bipolar concept of development has been developed, which on one hand maintained the scientific nature of the organization, and on the other acquired also a professional dimension, i.e., focused on the practice of business (thus joining scientists with a broad range of practitioners). Increasingly, a grass-roots movement of economists employed in large state-owned enterprises began to be noticeable in the activities of the Society. The following years saw further rapid organizational development of the whole Society. In 1970, the Society gathered nationwide as many as 50,267 members.

At the end of the 1960s economic difficulties of the country began increasingly to show, in addition, accompanied by rising social tensions. The difficulties proved to be so substantial that Poland faced a serious socio-economic crisis in 1970. The state authorities have been forced to authorize changes to the centralized system of management of the national economy. Thus, the improvement of the inefficient economic system has become a major challenge that faced the community of economists at that time.

Because of the significant economic problems of the country, after a fifteen year break, the 3rd Congress of Polish Economists was convened in Warsaw on 7 and 8 January 1971. The economists who gathered at the Congress explicitly argued for the need to change the methods of managing economy and determined the role of the Society in this process, as reflected in the relevant resolutions submitted to state authorities. The Sixth Congress of the Polish United Workers’ Party, which was held in December of the same year, formulated a new strategy for socio-economic development of the country.

In 1973 a new system of functioning of economic organizations was introduced, known later as the system of large economic organizations. The system raised high hopes for improving the economic situation of the country. Almost all the activities of the Society were subordinated to the popularization and implementation of the system. Although in 1975 the system already covered 125 economic organizations, including 110 in the industry, which accounted for 68% of the total industrial production of the country, the system had not improved labour productivity or the effectiveness of management. Consequently, once again great social protests broke out, prompting in 1976 the state authorities to make another attempt to change the economic policy.

The nineteen eighties brought huge foreign debt burden, the inability to compete in international markets, and the total destruction of the Polish economy. The crisis of the nineteen eighties, regarded as the most serious in the post-war history of Poland, pointed clearly to the inefficiencies of centralized management of the economy, which actually had been repeatedly reformed. The then apparatus of power, however, did not recognize the need for a radical change in the direction of the system based on market mechanisms, in addition involving the democratization of social life. It was therefore another attempt to reform the socialist economy of Poland, which - as soon it turned out - also this time did not bring the expected results. Also this time the Polish Economic Society was heavily involved in the reform processes.

On 6-8 March 1981 the 6th Congress of Polish Economists was held in Warsaw under the slogan “The reform cannot go wrong.” One of the most important documents developed at the Congress was the study entitled “Directions of reconstruction of the system of functioning of the Polish economy in the eighties.”
The concept of systemic change included in the study has had a significant impact on the final version of the economic reform programme, which was politically approved in the resolution of the 9th Extraordinary Congress of the Polish United Workers’ Party (July 1981). Despite serious political problems in the country, the first period of the mid-1980s was marked by the reform. Activists of the Society actively supported the need for a quick change of organizational structures and principles of operation of the entire economic system in Poland.

The role of the Society in the process of reforms was strengthened after Professor Zdzisław Sadowski (who in November 1987 was elected the President of the Society) took over as Deputy Prime Minister. In the same year, on 27 and 28 November the 5th Congress of Polish Economists was held in Krakow. The proceedings of Congress were undoubtedly the most serious economic debate of that time in the country, and as it soon turned out, the last devoted to the socialist system of managing the national economy. The late 1980s brought a rapid growth of crisis trends in Poland, both in the economy and politics.

The communist command system of economic management, based primarily on the state monopoly, visible in all phases of the social process of management, as well as the dominance of state ownership, did not stand the test of time. The growing ineffectiveness of the system, and additionally the regime maintained by the then apparatus of power in the end had to bring about a deep crisis and the collapse of the socialist state model. As a result of a peaceful social contract negotiated in 1989, the process of transformation was initiated in Poland. It consisted in departing from the command system towards a democratic state with an economy based on market mechanisms. Thus the forty-year period of the Polish People’s Republic came to an end. For a number of years the economists in the Society have pointed to the need for a thorough reform of the Polish economy and now faced challenges resulting from the process of systemic transformation, unprecedented in the economic history of the world. This process not only forced the reorientation of the objectives and courses of action of the Polish Economic Society, but also a major organizational transformation of the Society.

In 1989, on the threshold of transformation, the Fifteenth National Congress of the Society took place and adopted a resolution defining a new courses of action for the organization. Among them were: the involvement of the Society in the transformation of Poland’s economic system from a centrally planned into the market economy, the development of free entrepreneurship (regardless of existing property relations in various economic entities), the creation of a qualitatively new economic order ensuring high efficiency of the economy. According to the resolution, of course, the tasks of the Society remained unchanged, i.e., the development of economic sciences and educational activities (including improvement of professional qualifications of economists). The Congress has also clearly defined the character of the Society as a fully pluralistic association, gathering economists with different beliefs and ways of thinking.

Economists who gathered at the Fifteenth National Congress of the Society, did not, however, foresee serious financial difficulties which, as a result of changes taking place, would affect the Society, its National Board, and the majority of Branches already in 1990. These problems have forced the profound organizational transformation of the Society which resulted in the Extraordinary National Congress held on 27 June 1991. Pursuant to the resolution passed at the Congress the supreme authorities of the Society were obliged to provide the individual Branches of the Society with legal and financial independence while maintaining the national integrity of the Society. This position was later adopted by the Sixteenth Congress of the National Society held in November 1993. The appropriate changes to the statute of the organization were made at this Congress. Under the new rules, the chief governing body directing the Society’s activities in the country was the National Board, composed of the presidents of the Branches of the Society from all over Poland. In mid-1993 organizational changes covered all Branches of the Society. In addition to the national authorities of the Polish Economic Society, with its seat in the Polish capital - Warsaw, the Society’s structure consists of 23 regional offices located in major Polish cities.

Currently, the Polish Economic Society has 2600 ordinary and honorary members and 59 supporting members. The outstanding Polish economists, often world-renowned, served as the presidents of the Society e.g., Professor Edward Lipiński (in the years 1945-1965), Professor Oskar Lange (1965), Professor Józef Pajestka (1965-1981), Professor Tomasz Aftelwicz (1981-1985), and Professor Zdzisław Sadowski (1985-2005). Professor Elżbieta Mączyńska from the Warsaw School of Economics has held the position of President of the Polish Economic Society since 2005.
Thursdays at the Economists

The Seminar “Thursdays at the Economists” has developed and perpetuated as an important form of popular scientific debates of economists with representatives of other opinion-forming environments – journalists, parliamentarians, politicians, and personalities of the world of science and culture.

The tradition dates back to the Thursday debates in the 1970s. The then “Thursdays at the Economists” initiated the free-market political transformation in Poland. These debates were focused, inter alia, on the political grounds of failures and systemic inefficiencies of socio-economic policy in Poland and on political characteristics of the economy which the Hungarian economist Janos Kornai defined as “Economics of Shortage”.

The current debates under the “Thursdays at the Economists” also refer to the most current, but at the same time the fundamental issues of economic theory and policy, and socio-economic practice. Because the statutory task of the PTE is to spread knowledge of economics, the subjects of the Thursday debate involve the latest national and international achievements in the field of economic theory, book publications, and the results of selected studies and expert reports, including those on the role, but also on the failure of economic theory in the contemporary increasingly complex economic reality. These debates also include questions about the current socio-economic situation in the country and the world, and above all, the most controversial issues. Hence, many debates concerned the causes and consequences of the global crisis, the role of the state and the public sector in the economy, the interdependence between the financial sector and the real sector, changes in the economic balance of power in the world, and social, demographic, and other changes.

The Results of “Thursdays at the Economists” seminars are disseminated through the stenographic records published in the Internet and by synthetic media coverage, including the PTE “Economic Bulletin” - a newsletter addressed to institutions and decision-makers at various levels in the economy, parliamentarians, teachers, researchers and others. In addition, the Thursday debates play a significant role in the preparation and profiling of the Congress of Polish Economists.

The “Thursdays at the Economists” arouse great interest; the circle of active participants and readers of the transcripts of the debates is growing. They send their comments and additional materials to the minutes of the meeting, which are noted on the PTE website.
13 March 2014
Ownership and control. The perspective of shareholders of public companies

Dr. Agata Adamska
Warsaw School of Economics

The presence in a company of a shareholder which can act as a true owner is positive, but its dominance often achieved through control-enhancing mechanisms may give rise to moral hazard. The one, who has a greater share in control than in ownership, will not always work for the good of the company and the public.

20 February 2014
The institutionalization of social space through public goods

Professor Jerzy Kleer
The “Poland 2000 Plus” Forecast Committee, the Polish Academy of Sciences

Destruction of public space has a negative impact primarily on the quality of life and even the high growth rate cannot compensate for it. It is often said that the high rate of growth automatically translates into a better quality of life. Probably to some extent, it translates, but there is no automaticity here, what we have tried to show in the “Poland 2050” report. We have shown that the relatively high rate of growth which has taken place in the last 20 years, has not been properly translated into quality of life.

27 February 2014
“Crisis without end” John Bellamy Foster, Robert W. McChesney

Professor John Toporowski
University of London

Foster, a professor of sociology, is very familiar with the political economy, especially that of Paul Sweezy, Paul Baran and their intellectual base, i.e., the “Monthly Review” school. Why is it important for us today? Not only because the authors of the book describe the current economic situation, especially in the United States. In Poland, it is very important because the theories of Polish economists: Oskar Lange and Michal Kalecki, apart from Marx, were the main inspiration of the “Monthly Review”.

18 March 2014
Seminar on the 10th anniversary of the death of Professor Witold Trzeciakowski entitled “Polish transformation - principles and realities.”

Professor Marek Belka
National Bank of Poland

Of all the four goals defined by Professor Witold Trzeciakowski the three goals of transformation have been realized - we have consolidated independence, we have built a system of political and economic democracy, the market economy is open to the world and stable development. But do the majority of the public approve of this system? We can put a question mark here and think: Why.
The ideas for the crisis: The thoughts of Tadeusz Kowalik

One of Tadeusz Kowalik’s astonishments was that capitalism is extremely viable and capable of reforming itself. This was missing in the way the traditional left perceived capitalism, not only Marx but also next generations. Tadeusz accepted it not as an expression of threat and not as something that should encourage him and like-minded people to retreat, but on the contrary, as an expression of hope, that in order to achieve a better socio-economic order, the radical, immediate and painful change of revolutionary nature is not necessary.

Effectiveness of bankruptcy proceedings - the results of research, popularization and their use in practice

In the Statistical Yearbook published by the Central Statistical Office you can find the entry “deaths” and the information of how many people die every year, and why. However, there is no entry “bankrupt companies” in the index of the Statistical Yearbook. I believe that the lack of such an important economic information is a big misunderstanding. As a consequence of this information gap the problem of bankruptcy is incorrectly understood. This problem, moreover, has not only a quantitative dimension but also a qualitative, social, and human dimension. This is in line with Einstein’s statement that “what we know how to count, does not count, and more and more counts what we do not know how to count.” We do not fully know what are the consequences of the bankruptcies for us, the taxpayers, and the state budget.

Do regulations in the Polish banking sector stifle economic growth?

To a large extent, the fact that our country is shown in green, is a consequence of the stable banking sector, which not only did not require assistance in times of crisis, but financed the economy at the necessary level. The Polish banking sector, in contrast to banks in many other countries, responds to instruments of monetary policy and responds to supervisory policy instruments, including instruments of fiscal policy. The power of the central bank, of the local bank and local supervision must be strong, as long the Polish taxpayer bears responsibility in case of any problems.
The course on innovation. How to lead Poland out of the developmental drift

Professor Jerzy Hausner
Cracow University of Economics

The current model of development based on the import of technology is exhausting itself. Poland found itself in a developmental drift. We need to change this situation - it is necessary to formulate a vision which will motivate others. There is potential in people, but it is paralyzed, frozen. It is in our universities, in our schools, in our local governments. It is not so that there are no such enclaves of creativity in Poland, there are very many of them. However, these enclaves are scattered, today they do not create the conditions to ensure innovative environment.

The limits to growth. The 40th anniversary of the first report of the Club of Rome

Professor Zdzisław Sadowski
The Polish Economic Society

There are six questions that I consider to be essential. The first question: What will be the course of further development of the world? The second: Can we stop the destruction of the ecosystem? The third, what are the prospects for world food with a continuously rapidly growing population, how many people can the world really feed? The fourth: How to overcome severe social differences which do not decrease, but pile up and grow in the overall scale? The fifth: What to do with a perverse economy controlled by the financial markets, which have focused attention on a completely different direction in terms of managing the economy. And finally, how will the geopolitical changes affect this image?

Uncertainty and instability in the economy

Professor Władysław Szymański
The Warsaw School of Economics

We are dealing not only with the slowdown in growth, but with a permanent stagnation in the countries of the West. The permanent trend of instability and crises is very likely since the sources of turbulence are largely of systemic and structural nature, coupled with a rapid escalation of environmental and resource barriers.

Pathology of transformation

Professor Witold Kieżun
The effectiveness of Neo-liberalism and the belief that the market mechanism will ensure stable and relatively fast equilibrium were critically evaluated at the Congress of the Polish Economic Society, in November 1989. The concept of the revolutionism of communism was explicitly compared with the revolutionism of economic liberalism. Honorary President of the Polish Economic Society, and the Chairman of the Congress, Professor Zdzisław Sadowski before the end of the Congress warned against the “new religion of the market, because it is the straight road to ruin.”
The importance of the Economic knowledge competition in the process of economic education of society and its popularity is reflected in the number of participants and schools joining each edition of the Competition. Each year over 300 thousand students from about a thousand schools attended twenty-seven editions of the Economic Knowledge Competition.

The main objective of the Economic knowledge competition is economic education of youth, deepening knowledge of the modern economy and to support the development of gifted students. The formula of the Competition is to check the knowledge of economics and encourage independent thinking. Our experience leads us to conclude that these objectives have been successfully implemented. The winners and finalists of the Competition have become recognized scientists, managers, and senior officials of government.

The organization of the Economic Knowledge Competition and its professional level are the responsibility of the Main Committee of the Competition, appointed for five years by the National Board of the Polish Economic Society. Since 2007 the Main Committee has been chaired by Professor Stanisław Owsiak, the Head of the Department of Finance at the Department of Finance at the University of Economics in Krakow. The Regional Committees of the Economic Knowledge Competition have been established in the various provincial cities in Poland. The Committees are responsible for the organization of the first stage (school) competitions and the second stage (district) competitions. In total there are 17 Committees located in Białystok, Bydgoszcz, Częstochowa, Gdańsk, Katowice, Kielce, Krakow, Lublin, Łódź, Olsztyn, Opole, Poznań, Rzeszów, Szczytnic, Warsaw, Wrocław, and Zielona Góra. School committees are appointed in the schools participating in the Competition. They coordinate the organization of the first stage (school) competitions and evaluate the works of the participants in these competitions.

The Competition is held in three stages. The first stage takes place in schools. Among the participants of the first stage (school) competition the top 10% of students are selected who then join the second stage competition which is carried out in the districts, i.e., at the provincial level.

At this stage the top 100 participants who have qualified for the finals of the competition are selected. The third stage (central) takes place in the Polish capital, Warsaw. Thirty seats are prepared on the podium, because that many students, achieve the best results during the final struggle of the Competition, and become the winners of the Economic Knowledge Competition. To be included in this group one has to overcome in a noble scientific rivalry about 1.5 thousand other participants in the Competition (because each year so many students participate in it). The first stage (school) and secondary (regional) competitions are written exams, and the final two-day competition of the third stage (central) - is a written and oral exam.

Each edition of the Economic Knowledge Competition is subordinated to the keynote central theme

The final of the Economic Knowledge Competition, a meeting with Deputy Prime Minister Janusz Piechociński at the Ministry of Economy, Warsaw, 17 June 2013.

Economic Knowledge Competition

One of the biggest and most important projects in the field of economic education, designed for secondary school students from across Poland and their teachers, is Economic Knowledge Competition. It is has been organized by the Polish Economic Society, in cooperation with the Ministry of Education, since 1987.

The final of the Economic Knowledge Competition, a meeting with Deputy Prime Minister Janusz Piechociński at the Ministry of Economy, Warsaw, 17 June 2013.
of the current socio-economic problems of Poland, Europe and the world. The list of the keynote central themes of the past twenty-seven editions of the Economic Knowledge Competitions is presented in Table 1

<table>
<thead>
<tr>
<th>Edition</th>
<th>The school year</th>
<th>The keynote central theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>2nd</td>
<td>1988/1989</td>
<td>Money and market</td>
</tr>
<tr>
<td>3rd</td>
<td>1989/1990</td>
<td>New socio-economic order</td>
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<tr>
<td>4th</td>
<td>1990/1991</td>
<td>Entrepreneurship and economic efficiency</td>
</tr>
<tr>
<td>5th</td>
<td>1991/1992</td>
<td>Restructuring and economic growth</td>
</tr>
<tr>
<td>6th</td>
<td>1992/1993</td>
<td>Money, credit, and capital market</td>
</tr>
<tr>
<td>7th</td>
<td>1993/1994</td>
<td>Entrepreneurship and investing</td>
</tr>
<tr>
<td>8th</td>
<td>1994/1995</td>
<td>Work and management</td>
</tr>
<tr>
<td>10th</td>
<td>1996/1997</td>
<td>Financial policy in economic development</td>
</tr>
<tr>
<td>11th</td>
<td>1997/1998</td>
<td>Market research and marketing</td>
</tr>
<tr>
<td>12th</td>
<td>1998/1999</td>
<td>Globalization of the economy</td>
</tr>
<tr>
<td>13th</td>
<td>1999/2000</td>
<td>Decentralization of public finances</td>
</tr>
<tr>
<td>14th</td>
<td>2000/2001</td>
<td>Role of capital market in the economic development of Poland</td>
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<tr>
<td>15th</td>
<td>2001/2002</td>
<td>Labour market in the age of information civilization</td>
</tr>
<tr>
<td>16th</td>
<td>2002/2003</td>
<td>Polish economy towards integration with the European Union</td>
</tr>
<tr>
<td>17th</td>
<td>2003/2004</td>
<td>Enterprise in the conditions of globalization</td>
</tr>
<tr>
<td>18th</td>
<td>2004/2005</td>
<td>Regional policy and structural funds of the European Union</td>
</tr>
<tr>
<td>19th</td>
<td>2005/2006</td>
<td>Risk in business</td>
</tr>
<tr>
<td>20th</td>
<td>2006/2007</td>
<td>Human capital and innovation in the Polish economy</td>
</tr>
<tr>
<td>21st</td>
<td>2007/2008</td>
<td>Household - socio-economic dimension</td>
</tr>
<tr>
<td>22nd</td>
<td>2008/2009</td>
<td>Environment in the management of economy</td>
</tr>
<tr>
<td>23rd</td>
<td>2009/2010</td>
<td>Economic fluctuations and economic development</td>
</tr>
<tr>
<td>24th</td>
<td>2010/2011</td>
<td>Man in the world of money</td>
</tr>
<tr>
<td>25th</td>
<td>2011/2012</td>
<td>In search of a new economic order</td>
</tr>
<tr>
<td>26th</td>
<td>2012/2013</td>
<td>Disequilibria in the economy: Causes and effects</td>
</tr>
<tr>
<td>27th</td>
<td>2013/2014</td>
<td>Euro area: Opportunity or Threat?</td>
</tr>
</tbody>
</table>

Cash and in-kind-awards are annually provided for the winners of the Economic Knowledge Competition and teachers who care for them, and for the best schools. This is possible thanks to a wide range of patrons and partners of the Competition, which include: the Prime Minister of the Republic of Poland, the Minister of Economy, Minister of Finance, the President of the Polish National Bank, the Polish Financial Supervision Authority and a number of commercial banks and large Polish enterprises. The intention of the organizers of the Competition is that the reward system is to encourage the further scientific and professional development of young talents.
Winners of the qualification examination in such professions as economist-technician, technician-trader, accounting technician, administration technician, and technician of organization of advertising. Exemption from professional exam is equivalent to obtaining the highest exam score.

Big prize money for the winner of the Economic knowledge competition is a tradition. It is founded by the Prime Minister of the Republic of Polish or one of the ministers (Minister of Economy or Minister of Finance), and the President of the Polish Economic Society. Other winners also receive cash prizes and scholarships, as well as high-end notebooks with software, books on economic issues, subscriptions of professional magazines, and commemorative coins.

In addition to the cash and in-kind awards, and scholarships the winners are provided with free foreign trips and internships at leading institutions in the country and abroad. For example they participate in a two week scientific seminar at the Institute of European Studies in Vlotho, Germany. The European integration and the idea of a social market economy are the subjects of this seminar. The study visits to the European Parliament in Brussels are also organized for the winners of the Competition.

Also, the teachers who prepare students for the Competitions and the best schools receive cash and in-kind awards. In this way, their commitment and contribution to the scientific care of the participants of the Competitions is appreciated. A special award, “For the dissemination of economic knowledge and distinguished scientific care of the participants of the Economic Knowledge Competition” is granted to teachers who were tutors of the winners of at least three editions of the Economic Knowledge Competition.

Among the additional attractions of the Economic Knowledge Competition one should mention the meeting of the participants of the third stage (central) Competition and their teachers with the president of the Polish National Bank. In addition to the discussion about the most important economic problems in Poland and the world, the guests also have the opportunity to visit the Numismatic Cabinet of the National Bank of Poland.

Each edition of the Economic Knowledge Competition ends with a ceremony at the Chancellery of the Prime Minister or the Ministry of Economy or the Ministry of Finance. At this meeting, the awards and diplomas are handed out to the winners.

For many years the Economic Knowledge Competition winners and their tutors at the end of each edition visit the Stock Exchange in Warsaw. During the meeting with the President of the Board of the Stock Exchange they may listen to the presentation on the history of the Stock Exchange and its current position, as well as discuss with the hosts of the meeting.

It should be remembered that the Economic Knowledge Competition is not only a ceremonious gala. In each edition of the Economic Knowledge Competition eminent Polish economists give lectures to the participants of the third stage (central) competition and their tutors. So far lectures were given by: Professor Zdzisław Sadowski from Warsaw University, Professor Elżbieta Mączyńska from the Warsaw School of Economics, Professor Grzegorz W. Kołodko from Kozminski University in Warsaw, Professor Witold Orlowski of Warsaw University of Technology, and Professor Andrzej Sławiński from the Warsaw School of Economics.

The Economic Knowledge Competition involves also a range of activities aimed at promoting knowledge of the modern et of sponsors, students and teachers receive free books of outstanding Polish and foreign economists. The Economic Knowledge Competition is accompanied by a number of conferences and open scientific seminars in the Branches of the Polish Economic Society in the country.

The Economic Knowledge Competition is a project with a rich past – the 27 years of its existence is a long time. During this period the Competition was subject to major and minor modifications. Evolution is essential, because the environment in which the Competition operates changes, and expectations of students and teachers also change. The goal of the Competitions remains unchanged - to disseminate modern economic knowledge. We are deeply convinced that this goal has been and is being successfully realized.
The erosion of strategic thinking is actually a problem not only in Poland but also in other Western countries. This is a consequence of the Neoliberal trend, dominant in the last few decades as an ideological basis of socio-economic policy. In Neoliberalism, the long-term approach is by definition marginalized. This is due to an uncritical faith in the effectiveness, infallibility, effectiveness and proper driving force behind the mechanisms of the free market, characteristic of this trend. However, the global crisis has completely disputed the validity of such an approach. In this sense, Henry Hazlitt’s warning that “Today is already the tomorrow which the bad economist yesterday urged us to ignore” can be regarded as a prophetic thesis.

The objective of the Forum is to promote culture and strategic thinking in Poland. Such activities as the organization of debates, as well as research and analyses, studies of world and national literature, serve this objective.

The establishment of the Forum of Strategic Thinking and popularization of its work by e.g., publication of the PTE Bulletins, stems from the Forum organizers’ belief that in all spheres of socio-economic life, the need for futurological reflection and analysis as well as the long-term development strategies, is the greater, the greater are the uncertainty of action and the risk of making mistakes. For when the world is unpredictable and full of Taleb’s “black swans”, the primary function of futurological reflection should be to identify potential major socio-economic development trends and, above all, focus on the least predictable, unrecognized risk areas.

We assume that seminars and panel discussions under the Forum of Strate-
gie Thought will foster a breakthrough in Polish social sciences, a breakthrough in the methodology of futurological thinking. Hence, we analyse and discuss the masterpieces of world and Polish literature on futurology. The analyses are concentrated around the question to what extent these works contain elements of the new system of knowledge and imagination, which arrange our thinking about the future.

The Forum of Strategic Thinking is intended to provide a stimulus to address issues of twenty-first century futurology, influencing the reality hic et nunc, for the benefit of decisionmakers.

The primary function of futurological reflection and forecasts is to identify hazards and provide early warning. Apart from detecting threats it is necessary to identify in advance new opportunities and sources of development. Forecasts are conducive to stimulating multi-scenario thinking about the future. This corresponds to Toffler’s concept of “social futurism”.

Social futurism involves engaging broad sections of society and all levels of government and governance in strategic works. In the situation of pervasive uncertainty and incredible pace of change this can be a barrier to the destructive consequences of future shock, but requires institutional background and reconstruction of forecasting.

This indicates at the same time the importance of globally developing forecasting centres and geography of forecasts. Unfortunately, still relevant today is Alvin Toffler’s thesis, according to which now everybody feels cut off from the opportunity to influence the direction and pace of changes. The reasons for studying probable variants of the future are irresistible. “Attempts to forecast the future inevitably alter it.”, although “no one can ‘know’ the future.” “Despite all this, it is time to erase, once and for all, the popular myth that the future is ‘unknowable’.” “A rough idea of what lies ahead, is better than none. (…) and for many purposes extreme accuracy is wholly unnecessary” (Toffler, Future Shock).

The participants of the Forum of Strategic Thinking are people from academia, business, government, and local governments. The key question, from the point of view of the initiators of the Forum: “Polonia Quo Vadis?” is part of the list of scientific, business, social, and political priorities in Poland. Indeed, there is an unquestionable need to include the strategic thinking into the national education system and thereby encourage students to engage in the initiatives associated with this trend. The Forum debates on the future of Poland, Europe, and the world arouse interest in Poland and abroad, which was reflected in the international conference organized jointly with the Club of Rome and the Ministry of Regional Development, with the participation of prominent experts, including world-class futurologists (Warsaw Conference, Poland and Regions - The Perspectives of the 21st Century, 24-25 October 2008, Warsaw, Sheraton Hotel – http://www.pte.pl/243_konferencje_cd.html).


The PTE Bulletins are an important form of information about current activities of the PTE and one of the forms of promotion and popularization of economic knowledge. This is important also because the PTE organizes the annual Economic Knowledge Competition, addressed to secondary school students.
International Cooperation of the Polish Economic Society

One of the priorities in the activities of the Polish Economic Society (PTE) is the international cooperation. It is an important complement to the national activities of the PTE, as well as expansion and enrichment of what we offer to our members and employees of Polish universities, as well as economic practitioners.

Such cooperation is carried out by both the National Board of the PTE as well as some branches of our Society. It includes such activities as:

- Cooperation with international organizations of economists;
- Participation of representatives of the PTE in foreign seminars and conferences;
- Strengthening the position of Polish economists in the international arena;
- Support for local Branch Offices of the PTE in establishing cooperation with foreign countries;

Below we make brief overview of these activities:

**Cooperation with international organizations of economists**

This cooperation focuses on three organizations, namely the International Economic Association (IEA), the European Economic Association (EEA) and the Congress of Political Economists, International (COPE).

The IEA was established in 1950 and brings together national associations of economists. Currently, nearly 60 such associations are members of the IEA. The current activities of the organization are supported, among others, by UNESCO, the World Bank, and the European Commission. The Polish Economic Society has been an active member of this organization for many years. A representative of the PTE is a member of the Council of this organization.

It is one of the two largest and most prestigious international organizations of economists. The other one is the European Economic Association. These organizations do not compete, but rather complement each other. They differ in terms of structure, range, number of participants, the frequency of organized congresses, etc.

IEA Congresses are held every three years and are undoubtedly the most prestigious events in the environment of economists. The prestige of these meetings results mainly from the fact that the most prominent economists with significant scientific achievements, including Nobel Prize winners, attend them, as well as because of the importance of the ongoing discussion there, the proposals etc. It is worth noting that the position of the organization was built by its succes-
sive presidents, among which may be mention such well-known economists as E. A. G. Robinson, P. A. Samuelson, E. Lundberg, K. J. Arrow, A. B. Atkins, R. M. Solow, and J. Kornai. The IEA Congresses are held on different continents, and usually are an important event for the countries in which they take place.

The highest authority of the IEA is the Council composed of representatives of national associations. The Council assembles every three years, usually the day before the Congress. It takes important decisions regarding the activities of the organization, including personnel decisions. The Council elects the 18-member Executive Committee which makes important decisions between Congresses. The Council also elects a President-elect who, after three years, automatically becomes the President, and a Vice President and Treasurer. After the end of the Congress in Beijing, which took place in 2011, Professor Joseph Stiglitz of Columbia University, USA, Nobel laureate of 2001, became the president. He is well-known to the Polish economists from numerous publications. In 2011, the PTE publishing house released his book entitled “Freefall: America, Free Markets, and the Sinking of the World Economy”. The next IEA World Congress will be held in June 2014 in Jordan.

In their papers presented at congresses authors often use quantitative methods. The papers refer to the current economic problems of a global nature. There were also plenty of theoretical papers. Usually, most papers dealt with the issues of broadly defined finance (fiscal and monetary policy, financial markets, exchange rates, taxes, etc.) and they were the subject of discussions both in plenary and parallel sessions. While discussing financial issue it was particularly easy for participants to find a common language. A lot of attention in the lectures was devoted to labour issues (employment, unemployment, migration, new brain drain, etc.). Such issues as globalization, economic growth, inflation, and what should be emphasized, global warming were quite often raised.

The issue of transformation in the countries of Central and Eastern Europe was relatively rarely raised. This may be due to the fact that the economists from these countries relatively rarely attend the congresses. The participation of economists from Poland is also very modest. In recent years, however, this has shown some improvement, as evidenced by the fact that twice as many Polish economists attended the Congress in Beijing than the Congress in Istanbul. This may be due to travel scholarships for young economists sponsored by the PTE.

EEA Congresses are held every year and are attended by 1500 - 1800 participants. In contrast to the IEA, the membership in this organization is individual. Although formally it is a European association, both among its members and participants of the congresses one can meet economists from all continents. Young economists, mostly lecturers and doctoral students, as well as students dominate among them. The congresses of the organization are located in European countries. From 26 to 30 August 2013, the Congress was held in Gothenburg, Sweden, and gathered more than 1,600 participants. The discussion at the Congress was dominated by problems of economic recession, the barriers to the development of the Europe-an Union, international finance, etc. The Congress was attended by several Polish, mostly young economists. Only some of them were delegated by Polish universities, while some were doctoral students who study in Western countries. The next Congress will be held in Toulouse, France on 25–29 August and will be hosted by Toulouse School of Economics.

The third of these organizations, Congress of Political Economists, International (COPE) is less numerous, but brings together economists from many countries. COPE holds its congresses every year, but unlike EEA and IEA congresses COPE’s congresses are thematic. Their subjects are, however, quite generally formulated, which makes them open to economists of various specializations. These one-week conferences are usually held in very attractive locations. Polish economists play a leading role in COPE, due to the large number of participants in these congresses, as well as participation in the authorities of the organization. Currently, Professor Irena Hejduk from the Warsaw School of Economics holds the post of President of COPE. The Board of Directors of COPE includes seven Polish representatives (M. Gorynia, W. Grudzewski, I. Hejduk, A. R. Kozłowski, R. Matera, S. Rudolf, and P. Urbanek).

In July, 2012, the COPE Congress was held in Buenos Aires, Argentina. The next Congress will be held from 6 to 12 July, 2014 in Zurich, Switzerland under the slogan “Sustainable global and regional development”. We anticipate that it will be attended by a record number of Polish economists. The COPE’s congresses are followed by annually issued monographs in English.

The participation of representatives of the PTE in foreign seminars and conferences

Annual seminars organized in Germany in Vlotho on the river Weser con-
stitute a special type of international cooperation of the PTE. The seminars are organized by the National Board of the PTE and the Ludwig-Erhard Foundation based in Bonn. Some 20-25 participants from Poland take part in the seminars, including representatives of academic institutions from across the Poland, students, the winners of the “Knowledge of Economics” competition, and entrepreneurs. These seminars are almost entirely financed by the said foundation. The seminars are focused on the important issues of social market economy. Seminar participants are trying to deepen their knowledge of social market economy and deliberate on the possibility of re-implementing this concept in the currently existing conditions. Meetings with outstanding scientists and German politicians are an important part of the seminar agenda.

Between 11 and 25 August 2013, the 22nd consecutive seminar took place. Its topic was, “The concept of social market economy and its implementation in the German Federal Republic and Poland.” Participants pointed to the dead provision in the Polish constitution saying that the “social market economy (...) is the basis of the economic system of the Republic of Poland”. This concept was sidetracked under the influence of the then current economic and social problems. In discussions at the seminar it was stressed that this concept is again gaining importance in the context of the continuing financial crisis and that ordoliberalism provides a strong and viable alternative to the contemporary dominant neoliberalism. During the discussion it was also pointed out that it was desirable to seek solutions to existing problems exactly in the concepts of ordoliberalism.

The Polish Economic Society also works with the Free Economic Society (VEO) of Russia. It is the oldest, (founded nearly 250 years ago), the largest (about 300 thousand members), and the most influential organization of Russian economists. Representatives of the PTE and VEO meet on a regular basis both in Moscow and Warsaw. A representative of the PTE participated in the VEO Congress that took place in Moscow in 2010. The proceedings of the congress focused on the problems of economic transformation in Russia. The congress, which was attended by about 900 people, was held under the theme: “Deep economic modernization: The basis for the development of Russia.”

The PTE also works with organizations of economists in some European Union countries. Representative of the PTE participated in the Round Table Conference in Italy. He also participated in the annual symposium of the Spanish Economic Association which was held in Granada in Spain and in many other meetings.

Strengthening the position of Polish economists in the international arena

One of the most important tasks on which the PTE has been working for a long time is promotion of Polish economists in the international arena. In recent years, the main effort was focused on increasing the participation of young Polish economists in the Congresses of the EEA and IEA. Such a course of action seems to be justified, because participation in the congress gives them the opportunity to present their scientific achievements, establish contacts with foreign economists, with institutions that use congresses to recruit suitable employees, including academies, etc.

Previous attempts to increase such participation consisted, among others, in posting information about seminars, conferences, and international congresses on the PTE’s website. This was also the purpose of letters addressed to all the Deans of faculties of economics, both public and private universities, encouraging supporting trips of young economists to conferences. The result was, however, quite modest. In recent years, we have tried to grant scholarships for young economists for the IEA and EEA conferences. This solution proved to be the most effective, but difficult to continue for a long time, due to the limited possibilities of obtaining
funds from sponsors. It is hoped that the situation will improve when the financial crisis is over.

The 1st Forum of Presidents of Economic Societies may improve the promotion of Polish young economists in the international arena. There came the proposal to organize in the future the Forum of Young Economists from the countries of Central and Eastern Europe. This initiative met with interest and support of the Presidents. It seems, however, that its implementation is still to come.

In examining the causes of under-representation of Polish economists in these congresses we have found that the poor information about congresses may be one of reasons. In 2013, we tried to popularize congresses, sending invitations to over 2000 Polish economists from our mailing list. The next IEA congress in Jordan and the COPE congress in Zurich will show whether our efforts have produced results.

**Support for the PTE Branches in establishing international cooperation**

Initiatives undertaken by individual PTE Branches may prove to be of key importance for the development of international cooperation. So far, their foreign contacts are scarce. It is definitely a wasted opportunity in making their work more attractive. Trips abroad, exchange of experience, joint seminars with foreign partners can enhance the activity of Branches and can be beneficial for both parties.

Experience shows the wide possibilities of such cooperation in the location of individual Branches. Both local authorities and local governments maintain partnerships with cities and regions in many countries. Analysis of their websites shows that they have several partnership agreements. There are rich organizations of economists in Western countries and cooperation with them can bring tangible benefits. The success of such projects depends on maintaining close contact with local authorities.

The initiatives undertaken by the PTE for international cooperation include projects such as the development of cooperation with Polish economists abroad by adding new people to our website link “Polish economists in the world”, as well as through publication of their books, articles, etc. Other initiatives involve the development and enrichment of the English version of the PTE website, contacts with foreign economists and organizations of economists, website information about conferences and international congresses, organization of seminars in English language with participation of foreign guests, popularization of international cooperation in the “PTE Bulletin” etc.
Publishing Activities of the PTE

The main statutory objectives of the Polish Economic Society are to promote economic thought and to co-create conditions for the development of economics and present its achievements (Paragraph 6 Item 1 of the Statute of the Society), as well as to disseminate economic knowledge and promote economic culture in society (Paragraph 6 Item 5 of the Statute). The Society implements these objectives by publishing books that significantly contribute to the development of economics as well as modern didactic publications by outstanding Polish and foreign economists. The scale of this activity is evidenced by the fact that in 2013 alone, thanks to the efforts of the Society, a total of 49 publications were issued with total circulation of 26,730 copies.

The publishing activities of the Society are coordinated by the Publishing Committee appointed by the National Board of the Society. Its duties include opinions on the proposals on the issue of books submitted to the Society as works that bring added value to the achievements of economic sciences in the country and the world. Selection process for the books is very rigorous, preceded by reviews drawn up by professors of economics both from Poland and abroad, with the undisputed achievements and position in the particular scientific specialty. Works accepted for publication appear in a series of publications, among which a series of “Nobel Prize winners in economics” deserves a special mention. Thanks to the efforts of the Society the following book publications appeared in the series e.g., J.E. Stiglitz, Freefall: America, Free Markets, and the Sinking of the World Economy (2010); Ch. A. Pissarides, Equilibrium Unemployment Theory (2012); D.T. Mortensen, Wage Dispersion: Why Are Similar Workers Paid Differently? (2012); J.E. Stiglitz, A. Sen, J.-P. Fitoussi, Mismeasuring Our Lives: Why GDP Doesn’t Add Up (2013), and N. Barr, P. Diamond, Pension Reform: A Short Guide (2014).

Equilibrium Unemployment Theory
Christopher A. Pissarides
http://www.ksiazkiekonomiczne.pl/art/search?key=pissarides

Wage Dispersion: Why Are Similar Workers Paid Differently?
Dale T. Mortensen

Reforming Pensions
Nicholas Barr, Peter Diamond
http://www.ksiazkiekonomiczne.pl/art/show/251/reformy-systemu-emerytalnego-krotki-przewodnik

Ordoliberalism and the social market economy facing the challenges of the present
Elżbieta Małyńska, Piotr Pysz
http://www.ksiazkiekonomiczne.pl/art/show/244/ordoliberalizm-i-społeczno-gospodarka-rynkowa-wobec-wyzwań-współczesności

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In addition to books, the Polish Economic Society publishes scientific and popular science journals, recognized in the country and in the world. The “Ekonomista” journal, founded in 1900, and devoted to science and the needs of the economy deserves special attention here. It is the oldest existing Polish scientific journal in the field of economics. This journal is published together by the PTE and the Committee of Economic Sciences of the Polish Academy of Sciences. The journal publishes scientific articles in the field of economic sciences, and information about scientific publications and important events in the field of economic theory and economic life in Poland and in the world. The “Ekonomista” is on a list of top scientific journals in the field of economics. Since 2008, the journal is covered by the content registration and citation indexing on the ISI Master Journal List.

“The Bulletin of the Polish Economic Society” is devoted to the current activities of the environment of Polish economists. It is a periodical magazine of the National Board of the Society. The Bulletin includes reflections, expert reports, and opinions on the current socio-economic issues in Poland and the world, as well as presents the activities undertaken by the Society for the common good - civil society, professional development of economists, and broadly defined development of entrepreneurship. The PTE Bulletin is distributed through a network of regional branches of the Society to its members, partners, sponsors, and school communities which organize the Knowledge of Economics Competition. The Bulletin is distributed to several thousand readers.

Below are a few examples of our publications.

- Privatizing Pensions: The Transnational Campaign for Social Security Reform
  Mitchell A. Orenstein

- Economics in Perspective: A Critical History
  John Kenneth Galbraith
  http://www.ksiazkiekonomiczne.pl/art/show/161/ekonomia-w-perspektywie-krzytyka-historyczna-j-k-galbraith

- Mismeasuring Our Lives: Why GDP Doesn’t Add Up
  Joseph E. Stiglitz, Amartya Sen, Jean-Paul Fitoussi

- The Keynes Solution: The Path to Global Economic Prosperity
  Paul Davidson
Activities of Branches of the Polish Economic Society

The structure of the Polish Economic Society consists of the National Board of the PTE based in Warsaw and 23 Branches of the Society located throughout Poland.

They are located in all provincial cities (16) and in several smaller cities. All Branches have legal personality which means that they are independent organizations, conducting their activities independently, including economic activities which involve gaining funds for the implementation of statutory objectives. All Branches have common statute, approved at the Congress of the PTE which brings together delegates from Branches in proportion to the number of their members. The presidents of all the Branches are part of the 34-member National Board of the PTE. They have the same decisive impact on the activities of the organization.

The activities of individual Branches are highly diverse and this is mainly related to the conditions in which they operate. Some of them have their own property (real estate), good office conditions, employ many full-time employees, conduct extensive business and use the proceeds for the implementation of statutory objectives. However, some do not have their own property which significantly hinders and restricts their activities. However, to a lesser or greater extent, all fulfil the statutory objectives of the Society.

In accordance with a long tradition and statutory requirement, Branches of the PTE submit to its members and to the National Board an annual report on their activities. The National Board of the PTE also submits such a report. These reports are the subject of discussion at a meeting of the National Board of the PTE. After appropriate preparation and enrichment with statistical summary of activities of Branches, the reports are available on the website of the PTE. Their general availability makes them a kind of a showcase of individual Branches. Reading the reports makes it possible to compare and assess their activities. It also provides information on the forms of activity and the role the various Branches play in their communities.

These reports are widely used by the Presidents of Branches. The reports contain abundance of implemented activities, initiatives, creative ideas, and original solutions, which can be used by other Branches because these are ready-made solutions, all the more valuable because they have been tested in practice. In addition, it is possible to ask for more detailed information or explanation, to invite the authors of such solutions for consultation, etc. It is also possible to implement together various programs or apply for grants, etc.

Below we make a brief overview of the most important forms of activity of Branches, compiled on the basis of these reports.

Membership in the PTE

The number of members of the Polish Economic Society has not changed over several years. There has been, however, the continuing downward trend for a long time, but declines are small and do not affect the activities of the Society. This tendency is present in all such organizations, both in Poland and in other countries.
Although sometimes people give up their formal membership in organizations, but usually continue their cooperation with the PTE and take part in projects organized by the PTE. The position of the PTE is stable, especially when compared with similar organizations of economists in the old and new countries of the European Union. Organizations in these countries rarely have agencies or similar structures.

At the end of 2013, the total number of ordinary members of the PTE was about 2600 people. In terms of membership, the situation of individual Branches varied. They differed in the number of members and trends in this respect. Most members are in Branches in Gdansk (378), Bydgoszcz (224), and Poznan (214). In all these Branches the number of members has increased in the last year by a dozen to several dozen people. The least members are in Branches in Walbryzych (24), Legnica (34) and Bialystok (43). In larger Branches of the PTE members are organized into Circles or Clubs. Some Branches have the so-called supporting members. Most of these members, i.e., ten are in the Branch in Kielce. Five branches have Scientific Councils.

**Conferences and Seminars**

Conferences, seminars, symposia, and workshops are important elements of activities of Branches. Particularly important are conferences, as they provide an opportunity to present oneself in the environment, they integrate the community of economists, including theorists and practitioners, and are the basis for the preparation of publications, etc. The number of conferences organized by the Branches is relatively stable and varies in the range of 30 to 40. The number of participants is also relatively stable because it varies between 2800 and 3000. In 2013, most conferences were organized by Branches in Wrocław (5), as well as in Bydgoszcz, Poznan, Szczecin, and Torun (3 each). Seminars were less often organized by Branches and their number increased from 11 in 2012 to 13 in 2013. In 2013 most seminars were organized by Branches in Szczecin (4), and in Opole and Torun (2 each).

**Training, courses, and lectures**

Training and courses, including the so-called training seminars are the main way of obtaining funds by Branches for statutory activities. Therefore, no wonder that they have become very popular and this activity is conducted by almost all Branches. Some of them have specialized in specific issues and have a strong position in the training market in their area. Other Branches respond to emerging needs and offer training adapted to the current needs of the market. They have no problems with this, as the members of the PTE are researchers and high-quality lecturers, representing main specialities in the field of economics. In recent years, there has been an upward trend in training and courses and as many as 702 were organized in
2013. The Branch in Bydgoszcz is the clear leader in this kind of activity and organized 313 training and courses which were attended by over 3500 participants. Also Branches in Wroclaw (respectively 98 - 1300) and Gdansk (79 - 1073) stand out in this respect. In total, training and courses organized by the Branches were attended by nearly 9,000 people.

The number of lectures organized by Branches is relatively stable and is about 70. Such activities are conducted by almost all Branches. Their subject matter relates to current socio-economic events, both of the local, national or international nature. Often these are meetings with representatives of the central government or local authorities, scientific authorities, etc. Many important domestic and international economic events took place in recent years (financial crisis, the difficulties of the euro area, reform in Poland, etc.); hence the lectures and readings have been increasingly popular. In 2013, nearly 3,000 people took part in the lectures. Most such events were organized by the Branches in Bydgoszcz (19) and in Koszalin (10), and Torun (7).

Among the activities of the Branches one can also mention schools and post-graduate studies. The scale of this type of activity is not large and it intends to decrease. The PTE Branches do not in fact have the power to independently conduct postgraduate studies; hence they do this often in tandem with universities, mostly public universities. The latter, due to the increasing financial difficulties, prefer to carry out such studies independently, keeping all the profit for themselves. In recent years, such studies were conducted by six Branches, in 2013 the number dropped to three and these were the Branches in Bydgoszcz, Krakow, and in Olsztyn. The number of participants in these studies has clearly decreased.

**Consultation and expertise**

A few years ago consultation and expertise were among the basic activities of the Branches. Increasing competition from consulting companies, both the Polish and foreign, caused that Branches must win new customers. As a result, only some Branches have a significant position in this area. Definitely the Branch in Bydgoszcz stands out here, with about 2000 consultations in the last several years. We should also mention the Branch in Szczecin in this respect.

**Releases and Publications**

Publishing activities conducted by the National Board (see: http://www.ksiazkiekonomiczne.pl/) are an important showcase of the Polish Economic Society. In recent years we have launched a “Nobel Prize in economics” publishing series. As part of this series we have published translated works of Stiglitz, Diamond, Monseren, and Pissarides. We intend to publish the translated latest book by Shiller. Publishing activities are also carried out by some Branches of the PTE. Due to the high degree of difficulty associated with the preparation of publications, such activities deserve special attention and recognition. The most creative in this respect is the Branch in Torun which for several years has been releasing more than ten items a year. This Branch has its own scientific journals, both in Polish and English (“Equilibrium” - see: http://www.equilibrium.umk.pl/). The Branches in Szczecin (9 items) and Poznan (8) can also boast of rich publishing activity.

Generally, publishing activity of Branches is rather stable, with a clear upward trend in recent years. Publications raise the prestige of Branches; particularly important in this respect are their own publishing series. Because of that Branches have to maintain regular contacts with the academic community of economists and representatives of business. In addition to
the already mentioned publications in Toruń, also some other Branches publish their own scientific journals of different circulation (Branches in Krakow, Lodz, and Poznan).

The above characteristics of activities of Branches of the Polish Economic Society show huge potential for their activities. It also indicates the significant distinctions as regards their size, forms of activity, economic and publication activity. Some of them extensively cooperate with foreign centres (e.g., the Branches in Toruń, Gdansk, and Poznan). Most, however, do not have such contacts. All Branches are, however, interested in establishing such contacts. We strongly encourage you to communicate directly with our Branches and cooperate with them, please find their contact details below.

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The PTE Research Council

The PTE Research Council is an advisory and opinion-forming body of the Society. It is elected during consecutive National Congresses for a period of 5 years. The current Research Council was elected at the 20th National Congress for the period 2010-2015 and consists of 49 people who are outstanding representatives of economic sciences in Poland. The work of this committee is directed by the Presidium of the Council which was elected at the meeting on 15 June 2010 and consists of:

- Professor Bogusław Fiedor (Wrocław University of Economics – Chairman)
- Professor Joanna Kotowicz-Jawor (Institute of Economic Sciences of the Polish Academy of Sciences) – Vice Chairwoman
- Professor Marek Ratajczak (University of Economics in Poznań) Vice-Chairman
- Professor Mirosław Bochenek (Nicolaus Copernicus University in Toruń) – Secretary.

In the previous term, 2005-2009, the Presidium of the Council was composed of: Professor Włodzimierz Siwiński (Warsaw University) – Chairman, Professor Bogusław Fiedor – Vice-Chairman, Professor Joanna Kotowicz-Jawor – Vice-Chairwoman, Professor Krzysztof Marczewski – Secretary.

The basic forms of the Council’s operation involve open meetings and seminars held at the headquarters of the National Board of the PTE, dedicated to key problems of economics and management practices. Other activities and tasks undertaken by the members of the Research Council involve active participation in the work of the jury of (Professor Edward Lipiński Competition and the competition for the best academic textbook in economics), acting as panellists in the “Thursdays at the Economists” seminars and regular “Forum of Strategic Thinking” seminars as well as participating in the work of thematic committees of the National Board. According to its statute, the Council also takes a stand on behalf of the PTE on the current key economic problems. Such a position was expressed, in the form of a short report – on the issue of pension reform, prepared by the Presidium, with the participation of several other members of the Council, back in 2012, i.e., before the actual start of the legislative process in this case.

In the previous and the current term of office 12 open meetings research (seminars) were organized, not counting the meetings devoted to the preparation of the consecutive Congresses of Economists. They were dedicated to the following issues, among others:

- “National Strategic Reference Framework (NSRF) for 2007–2013” – 17 May 2006. It was a discussion meeting on government documents relating to the National Strategic Reference Framework for 2007-2013. Expert opinions were submitted at the meeting of the Research Council and were made available to participants of the meeting. The team of the Research Council, chaired by Professor Joanna Kotowicz-Jawor has developed and presented to the Polish government a synthetic opinion on the NSRF;

- “Directions of development of modern economics – in the borderland of scientific disciplines.” – 6 February 2008. Introduction to the discussion was made by Professor Zbigniew Hockuba, based on the paper for the 7th Congress of Polish Economists prepared jointly with Professor Marian Gorynia and Dr. Marian Brzeziński on “Between imperialism and cooperation: Economics and other social sciences in the early twenty-first century.” The discussion focused on two issues of key importance for the future of economics as a science. Firstly, what opportunities and risks are associated with the so-called economic imperialism, or imperialism of economics as a science, which has been associated primarily (but not exclusively) with the development of the New Institutional Economics. Secondly, what is the potential of cooperation between economic sciences and other disciplines of the social sciences, and natural sciences, and what are the results of this cooperation so far.
“Economic sciences and the present day: Modifications of the paradigm and cooperation with other fields of science” – 25 November 2009. Introduction to the discussion was made by Professor Bogusław Fiedor, Vice-Chairman of the Research Council of the PTE. The discussion focused on issues such as: general criteria of scientific progress in the development of economic sciences, the issue of revision of the paradigm of mainstream economics in the context of the development of such new trends, as the New Institutional Economics, behavioural economics and behavioural finance, economics of complexity, and finally the need and opportunities to deepen cooperation between economics and management sciences;

“Strategic directions in the development of public finances” – 30 March 2011. Introduction to the discussion was made by: Professor Bogusław Fiedor, Professor Stanisław Owsiak, and Professor Andrzej Sławiński. Many important issues were raised during the debate, such as the causes and the possibility of reducing the budget deficit and public debt, Polish public finances and the problem of joining the euro zone, reform of the social security system, with particular emphasis on public health care and pension systems, and the tax system reform;

“Market failures and failures of the state: Public regulations versus market regulations” – 3 July 2012. It was an open meeting of the Council at which Professor B. Fiedor made an extensive introduction to the discussion. He stressed in particular that in the real market economy there is a close interdependence between the market regulation and public regulation as methods of coordination and optimization of activities of micro-economic entities, and that the liberal view, sees the roots of almost all market failures in imperfect public regulation is an illusion. The discussion, which revealed a significant polarization of views of the participants of the seminar, focused mainly on these two issues.

Both in the 2005-2009 and in the 2010-2015 terms, a significant part of the Council’s activity, in particular, its Presidium’s, was devoted to the substantive (conceptual) preparation of consecutive congresses of Polish Economists (CPE). The Research Council of the 2005-2009 term of office has made a significant contribution to the preparation and implementation of the 7th Congress while after the Congress actively participated in promoting its ideas and achievements. Many members of the Research Council participated in the work on the post-congress publications as the authors of the papers and the scientific editors of the post-congress volumes.

In the years 2011-2012, numerous meetings of the whole Council and meetings of the Presidium, often involving the authorities of the Society, including its President, Professor Elżbieta Mączyńska, were devoted to developing the programme and substantive concept of the next 9th Congress. The initial concept of the Congress was developed by the Presidium of the Research Council chaired by Professor Bogusław Fiedor and further work on the Congress was directed by the Programme Council headed by the President of the PTE and Chairman of the Research Council. The Research Council, representing the core of the Programme Council of the Congress, has developed a general and detailed concept of the Congress under the motto: “Economics for the future: Explore the nature and causes of economic phenomena.”
The 9th Congress of Polish Economists

The Congress of Polish Economists was held in Warsaw Marriott Hotel on 28 - 29 November 2013. The Congress gathered more than 600 economists from academia and business practice, as well as politicians. Nearly 250 papers were prepared for the Congress. The Congress was held under the patronage of the Polish President Bronisław Komorowski. The Congress was organized by The Polish Economic Society (PTE) and was open to all economists.

The purpose and subject of the Congress

The congresses of Polish economists, organized every few years were always considered as important events concerning the fundamental problems of the Polish economy and economic sciences. Tradition of congresses dates back to 1887 when Polish economists and lawyers from the three partitions organized the First Congress of Economists and Lawyers in Krakow. After World War II, subsequent meetings and congresses were organized in times important for the country. One should mention here for example the Congress in 1956, organized during the so-called economic and political thaw or the Congress in 1987 right before the shift in socio-economic system. The Congress in 2007 became also a part of such events, the first since Polish accession to the EU, hence its theme: “Poland in the global economy—opportunities and threats”, which alluded to the accession.

The 9th Congress of Polish Economists was held in special circumstances, in the aftermath of the global economic and financial crisis that began in the years 2007/2008 in the U.S. The crisis has revealed the scale andscope of globally disturbed equilibrium, including the equilibrium between the financial sector and real sector. Poland passed through the crisis relatively gently, much better than other European countries. During the five years of the crisis the cumulated GDP for Poland increased by nearly 20%, while GDP growth in other countries was zero or below. Only in the last year, the GDP growth rate slowed down significantly, below one percent. The uniqueness of the current Congress, however, lies in the fact that, starting from the second quarter of 2013, the GDP growth rate clearly accelerated and all indications are that economic recession is behind us. This fact had a significant impact on the congressional debate, which was dominated by pro-development topics.

The crisis has brought a significant shift in the theory of economics which is also reflected in the deep differences of views between the prominent representatives of the major schools of economics. This is accompanied by the evolution of views which generates new trends in economic theory. This gives rise to a lot of questions and doubts regarding the causes of the crisis and difficulties to overcome it. Hence the slogan of the 9th Congress was “Economics for the future. Explore the nature and causes of economic phenomena”

The 9th Congress of Polish Economists was aimed at a discussion on the nature and causes of the ongoing changes and new developments in the global, regional, and national
The discussion was held taking into consideration global challenges and forecasting aspects. The new trends in economics and management were discussed, as well as in other disciplines. The aim of the Congress, similar to the previous congresses, was to present the latest research results, exchange views and experience in this respect between economists representing academics and practitioners, politicians, and representatives of other disciplines of science. The discussion resulted in a synthetic picture of the current and forecasted situation in economic theory and economic practice, taking into account the global and local fundamental challenges.

The formula of the Congress was broad, so that – on one hand to enable the participation of the widest possible group of participants, including Polish economists resident abroad – on the other hand – to create opportunity to present and discuss the issues vital for the state and prospects of development of science of economics in Poland. The Congress was conceived as a forum for all economists, not only affiliated to the PES and thus it was a unique opportunity to exchange ideas between theoreticians and practitioners, between economists representing various centres and theoretical trends in the economy and the representatives of other disciplines of science. The list of the Congress themes was a result of the discussion that went on the forum of the PTE Scientific Council and the PTE Programme Council.

The 9th Congress was preceded by seminars and other discussions organized by PTE in 2012 and 2013, with a wide participation of economists. Of particular interest were the discussions within the “Thursdays at the Economists” and the “Strategic Thinking Forum” seminars. Detailed reports of these debates have been featured on the website of the PTE and the selected materials also in the “Bulletin of PTE”.

The congress was attended by over 600 people, scientists from all academic centres and business practitioners, as well as politicians. The congress was also attended by Polish economists who are resident abroad, mainly in the USA, the UK, Germany, and Sweden. Nearly 250 scientific papers were prepared for the Congress. Almost all the authors took part in panel discussions.

Introductory speech to the Congress was presented by Professor Marek Belka, the President of the Polish National Bank. His speech was entitled “Why only to discover? The lessons of the current crisis for the economics and economic policy.” Then, the main panel of the Congress took place, entitled “The fundamental problems in the theory of economics and business practice” which was moderated by Professor Elżbieta Mączyńska – President of PTE and by Professor Bogusław Fiedor, the Chairman of the Scientific Council of the PTE. This panel was attended by such economists and politicians as Dr. J. Lewandowski – EU Commissioner, Professor J. Hausner, Professor G. Kolodko, Professor J. Osiatyński, Professor Z. Sadowski, Professor M. Ratajczak, Professor A. Koźminski, Professor T. Szapiro, Dr. A. Arendarski, as well as by Polish economists working abroad: Professor L. Orłowski and Professor P. Pysz.

Panellists responded to the theses presented by the organizers which concerned in particular dysfunctions in the economy, responsibility of economists for a failure to recognize the crisis, expectations addressed to economics and related disciplines in the existing economic situation, further development of economic sciences, as well as many other issues of key importance for economic and social development. It was pointed out in the discussion that the economy fails to overcome new and emerging crises, that it is necessary to apply interdisciplinary approach to this end as well as achievements of other
sciences, especially anthropology. It was emphasized that the world is now more complex and uncontrollable. To overcome the crisis it is necessary to apply culture related resources.

At the end of the panel discussion the representatives of other disciplines and environments were asked to comment on the statements. The comments were presented by Professor H. Wirth (President of KGHM “Polska Miedź”), Professor A. Czapinski (sociologist, Warsaw University), Professor K. Modzelewski (historian, Polish Academy of Sciences) and Dr. R. Petru (Chairman of the Association of Polish Economists). These comments pointed to the need for socialization of economics, the need to develop the so-called economics of social responsibility. It was also emphasized that the current development of Poland was made primarily with individual skills of Poles and low wages, with limited use of the so-called social capital. This may cause economic stagnation after 2020, when the funds of the European Union are exhausted. A much higher level of social capital is required to continue the development of a sovereign economy. These comments were an important complement to the said discussion and were also a kind of its general summary.

Further deliberations were continued at panel meetings. There were four parallel panel sessions. In total, 16 such sessions were held, attended by about 200 panellists. The panellists were the authors of the papers prepared for the congress, but their presentations focused on issues specified in advance by the moderators. After the panellists’ speeches, numerous participants of the Congress took the floor. In this way, the Congress has been enriched with many new speeches and voices in the discussion. It should be noted that both the papers and transcripts of panel discussions can be found on the PTE website (www.pte.pl).

This was followed by thematic panel sessions on the following issues:

1. Economic science: stylized facts and the challenges of modernity (2 sessions)
2. Controversies and disputes over the economy – the state and the market, economic growth and social cohesion (2 sessions)
3. Poland in the European Union and in the global economy (2 sessions)
4. Education for balanced and sustainable development and for socially responsible business
5. Determinants of the development of Poland. The labour market, demography (2 sessions)
6. Determinants of the development of Poland. Innovation policy (2 sessions)
7. Determinants of the development of Poland. Public Finance (2 sessions)
8. Determinants of the development of Poland. Agriculture (2 sessions)
9. Determinants of the development of Poland. The financial sector

A plenary session was held at the end of the Congress. Moderators of all sessions made brief statements about their sessions. The plenary session ended with a plenary discussion.

It is difficult to precisely summarize such a great event as the Congress of Polish Economists. This will be possible in relation to particular issues discussed at the Congress. Moderators will make such session summaries in the introductions to books that will be published on the basis of papers prepared for the Congress, the moderators will be their editors. We plan to release 11 books with papers with positive feedback from reviewers. The books will be released in 2014.

Huge interest in the Congress, evidenced by the number of participants, the presence of prominent guests and many publications and media coverage, reflect well the high level of economic sciences in Poland, as well as the condition of the Polish Economic Society, the organizer of the Congress.

Detailed information about the 9th Congress of Polish Economists and papers are published on the website of the PTE http://kongres.pte.pl/kongres/

Achievements of the 9th congress will be published in the form of several monographs. One of them with plenary papers will be published also in English similarly, as after the 7th Congress which resulted in the “Poland’s transition and its future”, edited by Elżbieta Maczyńska, PTE, Warsaw, 2009, (see http://www.książkieconomiczne.pl/art/show/132/polands-transition-and-its-future-red-nauk-elżbieta-maczyńska).
There Is No Single Correct Theory of Economics

The 9th Congress of Polish Economists:

This text was prepared to celebrate the 9th Congress of Polish Economists, which took place in Warsaw at the end of November 2013. As demonstrated by the history of congresses of Polish economists, the congresses were held in highly diverse socio-economic and political conditions; therefore their central ideas were kind of the sign of the times. See: (http://www.kongres.pte.pl/kongres/idea-kongresu.html).

This also applies the 9th Congress of Polish Economists, which took place at the end of November 2013. The Congress was held in the period in which the economic situation of individual countries and the world was formed primarily by factors which were the consequence of the global financial crisis that began in the years 2007/2008 in the U.S. and evolved into the economic crisis and finally into the debt crisis, which still plagues many countries. The global crisis reveals the scale and scope of globally disturbed balance in socio-economic systems as well as the shortcomings and inadequacy of economic theory to the realities and requirements of sustainable development and solid foundations of prosperity, both in the sense of Adam Smith and Ludwig Erhard. Due to the unprecedented deep and rapid economic and social transformations on a global scale economists face problems and questions without ready-made solutions and unambiguous answers. This is accompanied by the evolution of views which promotes the development of new trends in economic theory. Many questions and doubts arise about “the causes of things. Those who do not know the “the causes of things”, do not know the truth and have no real knowledge. Hence, the importance of their recognition, because Scire est rerum cognoscere causas -knowledge is to know the causes of the things. This is expressed by the slogan of the 9th Congress: “Economics for the future: Explore the nature and causes of economic phenomena.” This subject is all the more important because as a result of the global crisis the reputation of economics as a science has seriously suffered and consequently, the reputation of economists. “The Economist” simply states that among the economic market bubbles that burst as a result of the crisis, particularly spectacularly

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1 Under such title the “Obserwator Finansowy” published an abridged version of the text (see: https://www.obserwatorfinansowy.pl/tematyka/makroekonomia/nie-ma-jedynie-slusnych-teorii-ekonomii/)
burst the reputation of economics itself. Economists are blamed for the crisis, and for the fact that they were not able to foresee the crisis. In addition, those few who predicted it, had not been listened to. Hence, currently, a fundamental problem of economists is to restore the lost reputation of economics. This issue is the subject of many of the more than 230 papers presented at the congress.

Professor Marek Ratajczak, Under Secretary of State at the Ministry of Science and Higher Education emphasizes in his paper that the current global debate often puts “the sign of equality between the economic crisis and the crisis of economics as a science”. A similar opinion was formulated by Marek Belka, the President of the National Bank of Poland who also took part in the congress and pointed out that “the sources of the current crisis are very diverse and quite comprehensive in nature, but among them are definitely both the gaps in economic theory and mistakes in macroeconomic and regulatory policy. This assessment is followed by obvious postulates to expand, supplement, and change the theory."

What unites a lot of the papers prepared for the Congress is the recognition by their authors that economics as a social science needs to change because the world is changing. (To cołączy wiele sposobów przygotowanych na Kongres referatów to uznanie przez ich Autorów faktu, że ekonomia jako nauka społeczna musi się zmieniać, bo zmienia się świat) The ups and downs, among others, of Keynesian theory, neoclassical economics, and also good and bad times for application of ordoliberal concept of a market economy confirm the need to take into consideration the changing socio-economic reality into the theory of economics. In this sense it can be considered that there is no one correct theory and in every trend of economics, in every school of economics, one can find the tools and solutions which only in certain circumstances translate into practice.

This is no coincidence that the Keynesian theory can be considered suitable for the difficult challenges of crisis in the economy, although, this view is also called into question. In turn, the Ordoliberal theory – focused on the socio-economic order and balancing of the economic, social, and environmental targets - may be useful as a theoretical basis for the recovery of such order. Therefore a new space is being created for the diversity of trends in economic theory. Diversity is the counterweight to the doctrinalization of the neoliberal economics, so characteristic of recent decades. This is pointed out not only by researchers and practitioners, but also by students. In 2012, the students of the Faculty of Economics of the University of Manchester established the Post Crash Economics Society. Under the slogan “The world has changed, the syllabus hasn’t – is it time to do something about it?” the organization demands to enrich the curriculum with heterodox economics.

Currently, there are favourable conditions for the development of alternative currents of economics. Professor Jerzy Hausner stressed in his paper that “the global economic crisis provokes a revision of a number of findings of neoclassical economic theory. Many components of economic heterodoxy gradually enter into “mainstream economics”. Thus, the economic theories better than in the past “assimilate” the achievements of other social sciences. “In contrast, Professor Grzegorz
Kolodko simply noted, that “in the future heterodoxy will dominate, and the economics itself will absorb more and more interdisciplinarity. The next generation will need economy of moderation and the theory which will describe it, as opposed to the previously dominant economy of either deficiency or excess. “This trend is all the more likely because drawing inspiration from behavioural economics, the economics of complexity is gradually developing, as well as economics of imperfect knowledge and institutional economics. The economics of complexity seeks to show each economic phenomenon, taking into account as many of its aspects as possible, not only quantitative but qualitative too, as well as using the heritage of other scientific disciplines, including primarily sociology, psychology, and even anthropology and ecology. The new trends in economic theory include what is missing in mainstream economics, neoclassical economics, and in neoliberalism. Owing to this there are favourable conditions for the economy to evolve from a model known as “economic imperialism” into a wider cooperation with other social sciences, which prevents a sort of autism in economic theory. Such an approach of economic theory could better serve the practice than in the past. The fundamental problems of economic practice were dealt with in a number of papers viewed against the background of the analyses of state and directions of change in economic theory. The discourse is not just about economic sciences, but also about the main determinants of socio-economic development, including globalization, models of socio-economic systems, public finances, innovation, labour market, changes in education, the functioning of the financial sector and other sectors of economy, and also about the destruction and various dysfunctions in this regard.

At the same time the debate at the congress considered issues relatively rarely undertaken in economic analyses such as the issues of conceptual chaos characteristic for many economic debates, including lumping together so substantially different concepts of classical liberalism, ordoliberalism and neoliberalism. Many papers emphasized that liberalism serves good the rationality of economic policy but in this context it is important to distinguish its basic variations. Meanwhile, in the economic literature and journalism liberalism, neoliberalism, and ordoliberalism are often used interchangeably, almost as synonyms, without exact formulation of their essence and essential distinction. Also professor Piotr Pysz points out to this issue. (Oldenburg - see also: http://www.pte.pl/pliki/2/12/Orientierungen_139_Maczynska_Pysz.pdf). This type of conceptual disorder is not conducive to objectivization of assessments of the consequences of the liberalization of the economy, sometimes unjustly blaming precisely liberalism as liable for the irregularities occurring in the economy and this can have negative decision making consequences.

Another important issue taken in the congressional debate issue was the problem of measuring the socio-economic achievements and constraints that are characteristic of the basic measure of these achievements, i.e., the gross domestic product (GDP). The measurement of economic performance and social achievements is one of the most important issues both in economic theory and economic practice. Not enough that a fully satisfactory solution for this issue has not been found, in addition with the progress of globalization and the growing complexity of socio-economic relations, it is becoming increasingly more complicated. Errors in the measurement result in the errors in the statistics, which increases the risk of erroneous decisions. GDP is a rigid quantitative measure. This measure does not take into account, however, the soft values, so important for the quality of life and business, such as confidence, peace of mind, aesthetics, etc. Extremely good is here Einstein’s adage, growing ever more popular (as a result of the development of internetization, virtualization of economy) that not everything that counts is countable, and not everything that is countable, counts. It is therefore difficult to overestimate...
the role of the analyses focused on rationalizing the measurement of socio-economic achievements. The need for this type of analyses has been also recognized and exhibited by the European Union, which was expressed in the Resolution of the European Parliament from 2011 on “GDP and Beyond: Measuring Progress in a Changing World”. Preliminary concepts of the so-called post-GDP models of socioeconomic policy have been drafted with more attention paid to quality, soft factors. Such an approach can promote sustainable growth of the social well-being.

Another subject matter of the debate closely linked to social well-being was the issue of preferences adopted in the socio-economic policy. This is a fundamental matter, requiring in-depth, comprehensive analysis of alternative targets and possible directions of socio-economic development. This is especially important since – as research shows – dysfunctions of the modern economy are largely a consequence of improper organization of social and political system, rather than a lack of goods. The studies demonstrate the need to move beyond economism, to change the relationship between the sphere of economy, ecology and the social sphere, as well as the necessity to define the new role of the state. The opposition of the state and the market, characteristic of neoclassical economics does not find justification because each market must be regulated by the state, especially if the economic, ecological, and social targets are to be holistically considered. This speaks for the “optimum state” model rather than the “minimum state” model. The analyses on this topic are even more relevant because there occur – burdened with an increasing risk – changes in the functioning of the state, i.e., the transformation of the “tax state” into the debt state. Because of the policy of tax cuts adopted in many countries – and carried under the slogan “starve the beast” (i.e., the state) – noticeable is progressive decline in state budget revenues from income taxes which is accompanied by an increase in public debt. As a consequence, the dependence of the state on the financial sector is increasing, and at the same time the transparency of the relationship between these two parties (the state and the financial sector) is decreasing. At the same time the declining tax revenues force the state to limit of investment and public services which in turn drives the growth of lending to households by banks. The scarcity of public services such as educational services is forcing households to private funding. This is another factor increasing the share of the financial sector in the economy is increasingly driven by the loans which in the literature is referred to as “private Keynesianism” (this is pointed out, among others, by the German economist and political scientist W. Streeck). Viewed against this background, the problem of preferences in the socio-economic development policy is exacerbating. Such a policy should in fact promote the welfare of the country and society.

The Congress of Polish Economists was focused on the theoretical and practical activities conducive to the welfare of the country and society. The debate at the Congress created an area for new reflections, questions, and proposals for solutions and recommendations on the most difficult socio-economic issues in economic theory and practice.

The achievements of the congress consist of papers, problem questions and the debate, in which more than 600 people participated. I encourage you to read detailed materials of the congress available on the website of the Polish Economic Society, (http://www.kongres.pte.pl/kongres/)
The sources of the current crisis are very diverse and quite complex in nature, but they certainly include both gaps in economic theory and mistakes in macroeconomic and regulatory policy. This diagnosis gives rise to postulates for extending and modifying the economic theory as well as introducing changes in the institutional structure and strategies of central banks. As far as the second issue is concerned, the discussion of the proposed remedies goes even deeper as it is suggested that the rules governing state intervention in the activities of the financial sector, both domestically and on international scale, should be amended. In all of these areas – theoretical changes, institutional changes and changes in economic and regulatory policy – economists should play and already have played a role not only of observers but also constructors of the reality.

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Marek Belka*


At the early stage of the present crisis mainstream economics started to be widely criticized both by external commentators and by academic economists themselves. One could then expect that following this criticism, a radical change in the way research in economics is conducted and in the balance of power between main schools of thought would occur. However, as the later stages of the world crisis have revealed, such a radical shift, particularly between the orthodoxy and the heterodoxy, has become much less likely. This paper attempts at highlighting some possible explanations of why this shift has lost its momentum. According to the first hypothesis, this has been caused by the effective implementation of conventional and unconventional tools of macroeconomic policy. According to the second one, the ongoing lines of research within the heterodox economics are too dispersed and generally not sufficiently advanced to offer a consistent alternative that could challenge the mainstream. According to the third one, the world economic crisis and the resulting criticism against economics have provided strong incentives to fill gaps in theoretical and empirical knowledge which in turn has made this criticism less convincing.

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Andrzej Wojtyna*

Is Crisis in Economics Deeper Than in the Economy?
The crisis that started with the collapse of Lehman Brothers in September 2008 led, to a revival of the debate concerning the situation in economics as a science and as a field of education. Many participants of that debate have started to equate the economic crisis with a crisis of economics. The paper is a résumé of the author’s views on and interests in certain aspects of the crisis, transformation of the modern market economy, and the development of economics. Analysis of financialization has been used as a starting point to present desirable changes in economics and economic education at the university level.

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Intensification of globalization is achieved at the cost of limiting the scope of autonomy of economic policy at the national level. This produces a trade-off between the benefits derived from globalization and the costs caused by resigning from possibility to conduct autonomous policy to keep the economy on an equilibrium growth path. The costs of limited autonomy of domestic economic policy grow during a time of crisis. The possibility to reduce these costs depends on international political cooperation that would enable to create mechanisms of income distribution towards countries particularly hit by a crisis. The euro zone crisis illustrated this relationship in a spectacular way. Deficiency of political cooperation made it impossible to create an effective mechanism that would enable financial assistance to some euro-zone countries most hit by the crisis, which in effect have suffered considerable costs of their earlier resignation from possibility to conduct autonomous stabilization policy.

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Selected papers from the Ninth Congress of Polish Economists have been published in the “Ekonomista” bimonthly No. 2/2014. More at: http://www.ekonomista.info.pl/

To make it happen, especially to cause concepts and proposals of the economics as a normative discipline to be followed by relevant measures by political economy, it is indispensable to grasp the essence of the economics of moderation, which is what New Pragmatism is all about. The economics of moderation means adapting the volume of human, natural, financial and material flows to the requirement to keep a dynamic balance. Turbulent transformations of the last several decades are caused both by acute imbalances in various fields, and by their outcome. What we are surrounded by is an economy of a permanent imbalance as there is always either too much of something or too little of something else. A surplus of something is available, while there is a constant shortage of something else, and yet a good economy should be that of moderation. Hence, what is also indispensable here is a thought that promotes such desirable state of affairs, namely the economics of moderation.

In the future, we need economics of moderation rather than that of excesses, imbalances and crises. All of those will happen more than once to humanity and the interconnected global economy as well as to the national economies, but it should be exception rather than a rule. What should be the rule is knowing where to stop and adapting to real economic growth opportunities; moderate income disparities rather than extremes that wear out vast numbers of people and lead to new revolutions; toning down the marketing folly which creates needs that are utterly detached from the realities of the effective demand. Last but not least, what should be the rule is not overdoing it when transforming more and more pieces of the Mother Earth into goods that are meant to be sold at a profit by their manufacturers, although possessing and using them no longer improves consumer satisfaction.

There is a shortage of some raw materials and budgetary incomes, while we have an excess of garbage and all kinds of debts contracted by households, companies, entire countries. A technology to produce clean and renewable energy is missing, while there is a surplus of technologies for producing weapons of mass destruction. There is an abundance of banks with excess liquidity, willing to grant loans to naïve consumers, while there are not enough loans for small enterprises as it takes more effort to monitor them. In many countries and regions, there is an evident surplus of people who cannot be properly nourished, while somewhere else areas that were prosperous until recently are becoming depopulated. In some economies, in the wake of speculative bubble on the real estate market, too many houses and apartments were built, which are now standing empty and getting dilapidated as there are no buyers, while there is no shortage of people over there who have nowhere to live and are camping out. In some industries, there is not enough manpower, while in others it’s excessive. In some places surplus food goes to waste while somewhere else there is not enough of it to meet elementary needs. In some hospitals doctors sit idly by, as there are not enough patients who can afford the treatment, while in others people die as there is not enough staff to save lives in time.

Generally speaking, in developed countries, there is an oversupply of consumer goods on the market, and a shortage of the population’s effective purchasing power. In con-
sumerism-tainted societies there is an indisputable excess of needs, while a shortage of economic capacity to satisfy them is evident. While an overwhelming majority of us is constantly short of funds to buy what we really need, a lot of entrepreneurs are afflicted by surplus productive capacity which they cannot exploit in a cost-effective manner as there are no buyers for goods they could manufacture. One might say maliciously: there is constantly too much or too little of everything, depending on the angle from which you look at it. In other words, there is nearly always both too much and too little of nearly everything. Of economists, too.

The greatest deficit in the contemporary economy is most palpable where we need to be moderate. Moderation is generally in short supply. In the future, however, there should be as much of it as possible. And this is one of the fundamental canons of the political economy of the future. It is necessary to create mechanisms for balancing economic flows and resources. One might say, again: that’s nothing new. Well, in the approach suggested here there is a lot of new content, as it does not rely on the deceptive assumption, typical of some other trends in economics, that market money mechanisms are capable of solving the problems of deficiencies and surpluses, that is of dynamically balancing the economy. If they were, we wouldn’t be going through a time of turmoil, as we are, but would be enjoying an age of prosperity.

Once, at another stage of civilization and at a much lower level of overall development, in some countries attempts were made to solve this syndrome by adopting a bureaucratic supervision over economic processes. Theoretically, this was meant to eliminate wasteful overproduction crises which are characteristic of a badly regulated capitalist economy, while in practice it led to the emergence of a socialist economy with its inherent structural shortages. The Hungarian economist János Kornai saw shortage as the main constitutive feature of that system and called it the “shortage economy”, while for its theoretical description he coined the term “economics of shortage”¹. Almost all countries involved, except for Cuba and North Korea, managed to get out of such an inefficient system and there are no fears anybody will be tempted again to try using statism and command central planning as instruments of balancing the economy.

However, overcoming the shortage syndrome by the post-socialist transition economies by no means solved the problem of the lack of overall balance. Also countries that never experienced shortages typical of real socialism are plagued by a number of deficits. There is, sometimes, a shortage of exports, of budget revenues, sometimes there are not enough professionals in a given field, and other times it’s certain precious metals that are lacking. Not to mention common sense. There is a constant lack of time although it is wasted on a massive scale by the society as a whole. At the same time, there is always too much of something. Probably nothing in this world is as permanently out of balance as the economy.

Let me say right away that this will also be the case in the future, because such is intrinsic nature of economy. Mechanisms for balancing demand and supply flows are working, better or worse, in a short term and so are, even in longer time intervals, mechanisms for balancing certain types of needs and possibilities to satisfy them; still, balance can be reached only temporarily. The natural condition of the economy is a permanent imbalance with momentary episodes where lines of supply and demand, output and sales, income and expenditure cross each other. This is true of reality; in theoretical models, on the other hand, balance comes as easy as making relevant assumptions and what should cross at illustrative diagrams will always cross exactly where it’s expected to.

That’s nothing to wring our hands about, because market economy, also by its intrinsic nature, has corrective mechanisms, too, though they are pretty imperfect. When the deviation from the balance is too high, forces are activated that correct the disproportions. The problem is that very often they do so too late or not strongly enough, or they miss the

point of balance, by going from lack of something to excess or the other way round. Obviously, it raises overhead costs of resource allocation and reduces its efficiency. Therefore, market corrections must be sometimes triggered, some other times speeded up, and yet some other times reinforced, curbed or even blocked; they need regulating. Who else than the state should do that?

It is necessary to use state interventionism to assist market corrections of the intensity of flows (income and expenditure, supply and demand, supplies and market) and of changes in resources (property, savings, stocks). It would be good to end ideological disputes on that matter and focus on which intervention techniques to use. If they are inadequate, you can do more harm than good because interventionism is a risky business. To avoid the resulting errors, neoliberalism suggests throwing out the baby with the bathwater: not interfere with market processes as they have a capacity to self-adjust or to automatically balance themselves. State capitalism proposes not to throw out the baby but to keep the dirty water, too, excessively interfering with resource allocation, on many occasions, which reduces the achievable efficiency.

New Pragmatism calls for a well-balanced role of the state and a supra-state economic policy coordination, which is meant to correct, or, when necessary, to strengthen market processes. It says: wash the baby, pour out the dirty water, and if it starts to wash itself one day, perfect, but we can never do without washing. Therefore, we need to optimize the scope and instruments of state interventionism, while bearing in mind not to confuse the means of economic policy with its ends. The constant care to ensure balance in all of its sectors is an issue of great importance, but it’s still a means the policy uses to achieve the end, which is development. The balancing of the economy is meant to foster rather than curb it.

Well, but each action causes reaction. Teams of experts, mostly lawyers at large corporations that can afford it, rack their brains over how to be compliant with the law, that is with the constantly changing regulations, and still come out ahead. Business must be profitable, legal and ethical – these are the three sacred principles of New Pragmatism. Business should be ethical, it doesn’t have to be profitable, it will be compliant with the law because we are the ones to establish it – these are the features of state capitalism. Business must be profitable and legal, and it may be unethical – these are the three canons of neoliberalism. How eagerly and, to a great extent, effectively, it can, in nearly any situation, promote the interests of specific groups, especially those of the financial circles, is illustrated by the attempted legislative amendments and by results of those adopted in response to the crisis in the US after 2008. As a result, in many cases, attempts to improve regulations cause their quality to deteriorate, from the point of view of the general public interest.

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One of the most important questions asked during the recent 9th Congress of Polish Economists was whether the current economic crisis, particularly financial, is also a crisis of economics as a science? The papers often emphasized that the last decade has resulted in the development of many sophisticated economic models and theories. The prevailing view was, however, that the economy lost its soul, its source of sensitivity, and moral judgement. Perhaps the loss of the soul does not allow many economists to understand their sins and mistakes (...).

**What economy, stupid?**

Bill Clinton’s slogan: “It’s the Economy, Stupid!” has been popular for years in the U.S. It is no coincidence, because the U.S. economy is a sanctity, which serves an even greater sanctity: consumption. For decades, Americans have consumed more than they produced, in its own way sponging off the world economic system. Why do economists obsessed with the idea of equilibrium accept it, and even support? Because it drives the production and economic growth, which for most economists are the measures of progress.

Except that even this limited progress is beginning to fade. When consumer loans emerged in the 1920s no one expected they would lead to excessive economic growth and consumption. Future generations will have to deal with the legacy of their predecessors’ unbridled consumption. In October 2013, on the pages of “The New York Times”, Stephen D. King announced the “The End of Western Affluence”, concluding that “a half-century of remarkable one-off developments in the industrialized world will not be repeated.” I would add: apparent developments!

It is a historical paradox that today relatively poor countries and developing countries save the most while the richest run into debt quickly, mainly due to the excessive consumption. A large part of these savings goes to the financial markets of the U.S. and other wealthy countries.

Therefore, Clinton’s successors should begin to ask: What economy, stupid?! Or: Why did I let myself be fooled? And what was the role of economists in this?
Venal economy

Although economics emerged from philosophy, it departed far from the disinterested pursuit of truth, goodness, and beauty. It has become a science serving utility - especially for those who can pay well for this utility. After all, these were economists who launched a slogan: “You are only worth what the market is willing to pay for you or for your service.”

Preaching the benefits of the free market, they widened at the same time the market their services.

One of the biggest deficiencies of economics is underestimating what is not valued by the market, but is an important value for individuals and societies. Economists continue to focus primarily on the market goods and services whose impact on human well-being is sometimes questionable, and even negative. Meanwhile, bad measurers send bad signals and are wrong incentives. This is often the case with the use of GDP, a measure, which does not appreciate the value of leisure, public services, human relations, non-market manufacturing, and services in households. As the authors of a report on the measures of the development of the team appointed by Nicolas Sarkozy, the former president of France wrote, “what we measure affects what we do. If we have the wrong metrics, we will strive for the wrong things. (...) our statistical and accounting system to a large extent creates a perspective from which we perceive and analyse the world”.

Sometimes I have the impression that economists falsify the picture of the world. Not all that is important appears on the market!

That economics is “venal” (or “saleable”?), is shown by the evolution of the students’ interests in the department where I have been working for over 40 years. This is a good department providing students with a sound knowledge of micro-and macroeconomics, and quantitative methods, with an academic tradition of teaching economics in the context of other social sciences and humanities (e.g., history).

But this tradition dies out, also under the pressure of students’ expectations. The students are most interested in finance, banking, and accounting, and surprisingly little in international economics (despite the distinguished professionals at the faculty). The “Economics of Public Sphere” will probably be liquidated because students are not interested. There is less and less history of economic thought, economic history, and other social sciences in the curriculum. I was unpleasantly surprised when one of the best doctoral students complained that he had to attend a lecture on ethics management, and would rather spend the time on an additional course of mathematical techniques for analysing financial market. He spoke with contempt and irritation about these mandatory classes in ethics.

Bite the ass off a bear

He would be an economist perfectly prepared for the reality, which Michael Lewis of Salomon Brothers described, I thought sadly. For a world in which a person who wants to succeed “should wake up each morning ready to bite the ass off a bear.” Of course, bearing in mind that it is worth biting the stock exchange bear only when a lot of money is in the background.

In 2012, the year before receiving the Nobel Prize in Economics, Robert J. Shiller in a speech to the Yale University finance graduates said: “Best of luck to you as you leave the academy for your chosen professions in finance. (...) Your training in financial theory, economics, mathematics, and statistics will serve you well. But your lessons in history, philosophy, and literature will be just as important, because it is vital not only that you have the right tools, but also that you never lose sight of the purposes and overriding social goals of finance.”

Looking at the curricula for economics and finance in Poland and other countries, I have the impression that Shiller’s hopes are illusory.

The text is an abridged version of a paper prepared for the 9th Congress of the Polish Economists, which took place on 28-29 November 2013 in Warsaw. The text appeared on 21-22 December 2013 in the Christmas Magazine of Gazeta Wyborcza.

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The Forum of Presidents of Economic Societies

While participating in subsequent congresses of the International Economic Association and the European Economic Association I could observe relatively few participants from the countries of Central and Eastern Europe. This is especially true of young economists who rarely participate in congresses. This is also due to lack of funds, and often due to a lack of information on congresses. Young economists do not realize how important for their scientific development is to participate in such international events.

The experience of the Polish Economic Society leads to the conclusion that organizations of economists in the countries of Central and Eastern could improve promotion of young economists on the international forum.

Therefore, the National Board of the PTE took the initiative to organize the Warsaw Forum of Presidents of Economic Societies from the countries of Central and Eastern Europe. The Forum was held on 27-28 September 2012 at the headquarters of the National Board of the PTE in Warsaw. It was attended by the Presidents of the organization of economists from: Hungary (The Hungarian Economic Association), Latvia (Economists Association 2010), Russia (The New Economic Association) and Poland (Polish Economic Society). The Secretary General of the International Economic Association was the honorary guest of the Forum.

The representatives of the various Societies have made their short presentations, taking into account the history of their organization, its status, activities, its
position, its opinion-forming role, etc. These were very inspiring presentations, providing much food for thought and conclusions. Noteworthy is the diversity of their activities, distinctness of priorities, etc. It is worth noting that some of the participants of the Forum in the past served important political posts in their countries (Deputy Prime Minister, Minister of Foreign Affairs), which had an impact on the perception of specific problems.

The PTE issued and provided the participants of the Forum with the Vademecum of Societies of Economists of the Countries of Central and Eastern Europe. The Vademecum was issued in English and contained basic information about the Societies participating in the Forum and the contact details of other Societies in this part of Europe. Much attention was devoted to the activities of the International Economic Association. Forum participants highly appreciated our Vademecum, pointing to its important role in the process of integration of Societies of economists.

The hosts of the Forum prepared a series of proposals for cooperation that were the subject of the Forum’s discussion. These proposals involved:

- Inviting representatives of other Societies to national congresses, conventions, anniversary celebrations and other large events
- The exchange of scientific publications, mainly in English
- Websites in English and with information that may be of interest to other Societies
- Establishing cooperation between the various Societies, including Branches
- The exchange of delegations between the Societies
- Assistance in obtaining internships, scholarships, promoters of doctoral theses, reviewers, etc.
- Joint ventures of Economic Societies

Organising Forum of Young Economists of the countries of Central and Eastern Europe (up to 35 years).

The participants considered the initiative to convene the Forum of Presidents of Societies of Economists as a very necessary, and declared that it was an important step in the integration of our Societies. They also spoke in favour of continuing this kind of action. Such processes should lead to the development of bilateral cooperation between our organizations, as well as to projects involving all or most of our organizations. The participants pledged to take action aimed at attracting new organizations of economists for such cooperation.

The proposal to organize the Forum of Young Economists of the countries of Central and Eastern Europe aroused considerable interest among the participants. The participants were in favour of cyclical organization of such meetings (e.g., every two years), each time in a different country. The meetings could complement the congresses of the European Economic Association in which young economists from this part of Europe rarely participate. To overcome the financial barrier which is currently a major obstacle for young economists, the organizers of the next meetings should ensure low attendance fees.

Forum participants positively evaluated the declaration of cooperation prepared by the National Board of the PTE which was popularized at the end of the Forum. The representatives of the various Societies declared their willingness to cooperate with each other which should lead to the strengthening of the position of our Societies, both in individual countries and in the international forum. Such cooperation may be bilateral (exchange of scientific publications, exchange of delegations, establishing contacts at the level of Branches, participation in national conferences, conventions, etc.), or may involve a number of joint ventures of many Societies (joint research, joint applications for grants, joint publications, conferences, etc.).

All participants considered it expedient to organize the next meetings of the Presidents of Societies of Economists. They suggested, however, that it would be necessary to change their formula. A proposal was made to combine the meetings with seminars or conferences on topics agreed upon in advance. However, these would not be conferences with lots of papers, but working meetings, similar to the round-table conference, where each Society would limit themselves to the presentation of one or two papers. There was also a proposal that the first such conference would be devoted to the evaluation of the transformation processes (e.g., “The Pros and Cons of Transformation”). Such meetings could be held in different countries.
Polish Economists Known in the World

A number of prominent economists of the twentieth century were associated with the Polish Economic Society. Among them, the most famous were Oskar Lange (1904–1965), Michal Kalecki (1899–1970), and Tadeusz Kowalik (1926–2012).

Oskar Lange was president of the PTE in 1965. It was here that Michal Kalecki delivered his great speech at the Second Congress of Economists, published his papers in the „Ekonomista” issued by the PTE, and in 1967 was awarded the PTE Oskar Lange Award. In turn, Tadeusz Kowalik was the initiator of many debates, and the author and reviewer of publications in the „Ekonomista” scientific journal and published his books in the PTE Press.

Profiles and achievements of these outstanding figures have been presented in the book: „The Legacy of Rosa Luxemburg, Oskar Lange and Michal Kalecki: Volume 1 and “Economic Crisis and Political Economy”: Volume 2 of Essays in honour of Tadeusz Kowalik which appeared in 2013 and was released by Palgrave Macmillan, (London).

Introduction: Tadeusz Kowalik and the Political Economy of the 20th Century

Riccardo Bellofiore, Ewa Karwowski and Jan Toporowski

Tadeusz Kowalik (1926-2012) is best known as the editor of the two great Polish political economists, Michal Kalecki (1899-1970) and Oskar Lange (1904-1965), an advisor to the Polish trades union movement Solidarity during the 1980s, when it played a key part in bringing down the Communist Government in Poland, and subsequently a fierce critic of the capitalism established in his country.

In his work Kowalik challenged both the commonly accepted view of the ‘Keynesian Revolution’ and the inability of Polish communists to come to terms with their revolutionary past and find a place for themselves in the modern world.

Tadeusz Kowalik was born on 19 November 1926 in the village of Kajetanówka outside the city of Lublin in Eastern Poland, traditionally the poorer, more backward part of the country. He completed his undergraduate studies in law at Warsaw University with outstanding results in 1951. Supervised by Oskar Lange, he studied for a doctorate in Economics on the work of the Polish sociologist and economist Ludwik Krzywicki; this was awarded to Kowalik in 1958. By then he was already editor of the weekly newspaper Zycie Gospodarcze (Economic Life), where he promoted reform of the over-centralised state economic system. He lasted only two years in this position before being removed when the ruling party started to close down the discussion on reform. However, under the patronage of his supervisor he kept his position as Lecturer in Political Economy at the social science university run for activists in the ruling party, and commenced research for his post-doctoral degree, the habilitacja.

During his first visit to the UK, in the early 1960s, Kowalik defended a version of the then fashionable Convergence Thesis, that the communist and the capitalist worlds were both gradually becoming welfare
technocracies tempered by democracy. In London, Kowalik met Isaac Deutscher, the distinguished Marxist historian and member of the pre-war Communist Party of Poland (KPP). The KPP had been disbanded in 1938 and its leaders executed by Stalin.

In October 1965, Lange died. By then Kowalik was working with Kalecki in criticizing the economic policy failures of the government and distortions in economic planning. He was also collaborating with the philosopher Leszek Kolakowski and the economist Włodzimierz Brus, using their party positions to protect dissidents within and outside the ruling party. In the crackdown on Jews and ‘revisionists’ in 1968, Kowalik was expelled from the Party. The meeting with Deutscher was put forward as evidence of the ideological laxity that needed to be purged, despite the formal rehabilitation of the KPP in 1956. However, Kowalik retained his position at the Polish Academy of Sciences. Much of his output for the next two decades appeared under the name of friendly associates who were not subject to the ban on publication, most notably Edward Lipiński, at that time the oldest and most distinguished Polish economist, who had given Kalecki his first job in 1929. After Kalecki’s death in 1970, Kowalik took on the additional responsibility of supervising the editing by Jerzy Osiatyński of the Kalecki Collected Works.

From 1968, Tadeusz Kowalik was active in unofficial, dissident, university discussions; wage austerity was reimposed in Poland after 1976, leading to a resumption of strikes. These culminated in the emergence of the Solidarity trade union. In 1980 Kowalik travelled to Gdańsk to assist the workers in their negotiations with the Polish government. He wrote and edited prolifically in the underground press in support of Solidarity and its principles of democratic syndicalism. Here he drew on the political programmes and critiques of Soviet industrial organization put forward in Poland in the 1920s and 1930s by non-Communist Marxists, among them his mentor Oskar Lange. There were also the themes of reformulation of socialism that Kowalik had been advocating since the 1950s. (…) The resort to Kalecki? Jan Toporowski

The general view is that Keynes did not come out well of his critique of Tinbergen, with the implication that essentially he did not understand the new mathematical economics that Tinbergen represented and that Lange and Marschak championed (‘Introduction’, Hendry and Morgan, 1995). Keynes’s apparent failure to pursue the matter into a methodological study that was more systematic than incidental criticism of a particular author has generally been taken to indicate a less than serious approach to the matter, caused by his own frail health and the emergency of war. However, there is now evidence that Keynes was somewhat more persistent in his view than might be inferred from his published exchange with Tinbergen. He appears to have decided that his critique could best be pursued with a more technical approach. He identified Kalecki as a possible ally in this.

Kalecki was, according to his later account relayed through the recollections of his widow, becoming disillusioned with Cambridge. His work there had been subject to methodological criticism. His funding from the National Institute for Economic and Social Research appeared, however, secure. With the continued absence of Marschak from Oxford, the Institute of Statistics there was leaderless, and offered a clear opening for Kalecki to continue the statistical research that he had been doing in Cambridge. Keynes continued to support Kalecki at meetings of the NIESR Council; he put forward there his suggestions for Kalecki’s research agenda at Oxford.

Lange had the advantage of being able to join Keynes’s dispute with Tinbergen on economic method without the need to justify a specific body of quantitative work, as Tinbergen was obliged to do. Lange was therefore able to concede points on which Keynes’s view was (probably) incontrovertible. At the same time, Lange, was unusual in combining a strong interest in statistical and mathematical economics, with an equally strong commitment to economic philosophy and methodology. This gave him a stronger position from which to challenge Keynes’s philosophical and methodological objections to Tinbergen. The writer of the editorial notes to Lange’s Collected Works therefore makes perhaps too modest a claim that the published exchanges between Keynes and Tin-

\(^2\) Pp. 151-153
bergen covered the main points in Lange and Marschak’s contribution. It is understandable that two writers who were making their careers promoting a statistical and mathematical approach to economics would not wish to prolong a public dispute over a methodological approach to which they had nailed their academic colours. But the issues which they raise continue to haunt economics (see, for example, Hendry and Morgan, 1995; Toporowski, 2002) if only because when the respective parties to these methodological disputes enter into dialogue, as they did in the case of Lange, Marschak and Keynes, the terms they used did not have the same meaning for each of the parties. For the statisticians, economic theory meant relations between variables, whereas for Keynes, economic theory meant the linguistically unambiguous specification of concepts and the relations between them. Lange and Marschak were quite happy to concede to Keynes the possibility of structural change within a period covered by statistical data. But structural change in this context meant changes in model coefficients, whereas Lange clearly suggested that the more interesting structural changes are the ones in the institutions that make up a particular mode of production. Keynes was clearly keen that these issues should be more thoroughly explored. Hence his attempt to place the critique of Tinbergen onto Kalecki’s research agenda at Oxford. In fact, despite his technical facility, Kalecki was perhaps the last person who should have undertaken such a fundamental analysis. He was not a trained statistician, and his knowledge of statistical theory was practical rather than methodological. In any case, there is no evidence that Kalecki took up Keynes’s suggestion, although in later years he attempted a more methodological and institutional criticism of econometrics as his contribution to the festschrift for Oskar Lange (Kalecki, 1964).

Kalecki and Keynes

D. Mario Nuri


‘It must be rather annoying for you’, Robinson wrote to Kalecki in 1937, ‘to see all this fuss being made over Keynes when so little notice was taken of your own contribution’ (reproduced in Patinkin, 1982; see similar acknowledgements in 1964, 1976 and elsewhere). She was not alone in making this claim on Kalecki’s behalf: ‘Kalecki’s greatest achievement, among many, was undoubtedly his complete anticipation of Keynes’s General Theory’ (Klein, 1975, 1947; see also Lange, 1939). In fact, before the publication of Keynes’s General Theory, Michał Kalecki had published in Polish (1935c, 1934; reprinted in English in Kalecki, 1971b) and in English (1935a), a demand-determined theory of national income and employment, centred on investment and with an expenditure multiplier, similar to that of Keynes. But his intellectual roots, methodology and arguments were original - and so were Keynes’s; there are many highly significant differences between the two (see Nuri, 2004).

First, money and the money interest rate, which figure prominently in Keynesian theory and in the very title of the General Theory, have no role in Kalecki, for whom only the long-term interest rate is relevant, within the limits set by the principle of increasing risk of credit-financed investment.

Second, Keynes had a view of the volatility of expectations and the dependence of investment on ‘animal spirits’ as well as ‘the state of the news’. Kalecki’s investors, instead, simply looked at the degree of capacity utilisation (a flexible accelerator or capital-stock adjustment) and projected the current profit rate into the future.

Third, Keynes had no particular views about income distribution, in spite of post-Keynesian developments in this area, while Kalecki had two distribution theories, one based on the relative propensities of capitalists and workers to consume - ‘workers spend what they earn, capitalists earn what they spend’ - akin to the post-Keynesian approach, and one based on the average degree of monopoly aggregated over all producers.

Fourth, Keynes’s approach lent itself to combination with an accelerator to produce economic cycles – as did Roy Harrod’s, followed by those of many others. Kalecki had an armoury of complete models of economic cycles.

Finally, both Kalecki and Keynes made outstanding contributions to other areas of economic thought. Keynes’s ideas ranged from probability theory to fiscal policy to the design of the international monetary system, Kalecki’s from the theory of growth of the capitalist economy to the theory and practice of socialist economic planning to original criteria for the selection of investment projects.

Both Kalecki and Keynes were great economists on their own account and merits; so, laying unnecessary stress on the relatively small overlapping of their demand-determined theory of employment and income - no matter how important - detracts from their greatness.

Kalecki’s political cycle

Besides his mathematical models of the economic cycle, Kalecki (1943) produced a model based on the political economy of government fiscal policy and of capitalist behaviour.

In theory full employment could be achieved via additional govern-

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... but suicidal policies persist

Such an amazing, cumulative and final discrediting of the alleged expansionary (severe at that) fiscal contraction approach and the associated 90 per cent threshold to debt sustainability does not appear to have had much impact on actual policies, especially on German-led European policies, with EU and especially EMU countries tied to a ‘suicide pact’ (Joseph Stiglitz) of so-called growth and stability.

The latest EU fiscal compact, or TSGC (Treaty on Stability, Coordination and Governance), demanded that a balanced budget provision be inserted in member states’ national constitutions, subject to a maximum structural deficit of 0.5 per cent of GDP. There are penalties and automatic adjustments in case of non-observance, subject to the verification and rulings of the European Court of Justice. Financial assistance programmes under the ESM - the European Stability Mechanism, which came into operation in March 2012 – were, from March 2013, conditional on prior TSGC ratification.

From 2014, countries exceeding the statutory debt/GDP ceiling of 60 per cent, required by both the Maastricht Treaty and the Stability and Growth Pact, are expected to reduce the excess debt by 1/20 of the current gap every year until the ceiling is reached. For a country like Italy, which is at over 130 per cent, this involves a budgetary surplus of over 3.5 per cent a year for 20 years.

Recently, the IMF criticised the handling of the Greek crisis over the last four years by the troika (EC, ECB, IMF) but concluded that all was for the best and that policies would not be any different today in the same circumstances. In July 2013 a conference of German economists advocated that a debt/GDP ratio of 90 per cent – Reinhart and Rogoff’s fated but dubious threshold – should trigger automatic debt restructuring and bail-in.

In conclusion, the Keynesian-Kaleckian view of capitalist dynamics is alive and well. The IMF itself has been reviving it and providing theoretical and empirical backing for it by stressing the high cost of fiscal consolidation but at the same time continuing to officially recommend and impose such fiscal consolidation. While providing the strongest case for a fiscal stimulus, IMF research is being used even by more enlightened officials to recommend gradual fiscal consolidation instead of the fiscal stimulus that would be appropriate. Obstacles to full employment policies are still of a political nature today (resistance to a capital tax to service exceptionally high sovereign debt, in addition to the drive to maintain workers’ discipline through unemployment). The time for a Kaleckian (and Keynesian) revival is now overdue, and until it takes place we are all condemned to suffer the impoverishment and the unemployment caused by the deepest man-made economic crisis in human history.

About the Authors:

Riccardo Bellofiore is Professor of Political Economy at the University of Bergamo, Italy. He teaches Monetary Economics, Advanced Macroeconomics, International Monetary Economics and History of Economic Thought.

Jan Toporowski studied Economics at Birkbeck College, University of London, and at the University of Birmingham, UK. He worked in fund management and international banking and as a Visiting Research Fellow at the Bank of Finland. His most recent book is Michal Kalecki An Intellectual Biography: Volume I Rendezvous in Cambridge 1899-1939 (2013).
The Guardian on the Polish Economist

Recently, the British “The Guardian” referred to the views of Michał Kalecki (Aditya Chakrabortty, Monday 14 January 2013)

Here is the excerpt from the article:

“The single best guide to what happened in Britain last week was published in 1944. Naturally, its author was a Polish economist. Even economics students may not have heard of Michał Kalecki – but it’s the discipline that got small, rather than his legacy. In his time, Kalecki was recognised as having anticipated some of Keynes’s most important ideas, years before the Master published his General Theory, and he exerted a big influence on such legendary Cambridge thinkers as Joan Robinson and Nicky Kaldor.”

More at: http://www.theguardian.com/commentisfree/2013/jan/14/deepening-mess-words-polish-economist
The Scientific Council of the PTE
Special Distinction Award

The Scientific Council of the PTE granted a special distinction to Professors Ruslan Grinberg and Alexander Rubinstein of the Russian Academy of Sciences for the book entitled “Economic Socio-dynamics”.

The award was presented on 28 November 2013, during the 9th Congress of Polish Economists by prof. Boguslaw Fiedor, Chairman of the Council. – This book is an important voice in the contemporary theoretical discourse and in the discourse on the need for changes within mainstream economics, in connection with the contemporary crisis phenomena – justified Professor Fiedor.

Prize for the Best Economic Book

On 28 November 2013, during the 9th Congress of Polish Economists the most important scientific award, the Professor Lipiński Award was ceremoniously handed out.

This award has been granted for more than 20 years by the PTE, for the best book adding new values to the achievements of economic sciences. The jury, headed by Professor Eugeniusz Rychlewski decided this year to grant the award to Dr. Joanna Tyrowicz for her book „Hysteresis of unemployment in Poland”. – The book comprehensively discusses the phenomenon of hysteresis in the Polish labour market, in the regional labour markets, and in local labour markets, but also covers practically all the problems concerning the labour market in the Polish economy – said Professor Rychlewski.

The Final of the Economic Knowledge Competition

Zuzanna Ałchel of the T. Czacki 27th Grammar School won this year’s edition of the 27th Economic Knowledge Competition, organized by the PTE. Second place went to Michał Puchalski from the same grammar school, and the third to Michał Waszczyk of the 3rd Unia Lubelska Grammar School in Lublin. The results were announced on 6 April 2014, in Jachranka near Warsaw. Earlier, 100 finalists met with Marek Belka, the president of the Polish National Bank.

This year the competition attracted over 14 thousand students from 896 schools throughout the country.
Representatives of the OECD, Peter Jarrett and Antoine Goujard explained that this time, the report focused on the labour market. OECD experts analysed, among others, the increasing dependence of the labour market on people of retirement age, unemployment, and rules for granting pensions, the size of the tax wedge, pre-school education and youth unemployment. They also presented suggestions for improving the functioning of these areas. Giving examples of other EU countries, they proposed a list of ways to boost the economy and stimulate long-term economic growth.


First Place in the “Economicus” Competition

The Polish Economic Society won first place in the “The best book disseminating economic knowledge” category in the “ECONOMICUS” competition organized by Dziennik Gazeta Prawna, for a book entitled “O lepszy ład społeczno-ekonomiczny” [“For a better socio-economic order”] by Tadeusz Kowalik. (The first prize was awarded joint to the PTE and to the Instytut Wydawniczy Książka i Prasa for a book “Open Pension Funds: Disaster privatization of pensions in Poland” by Professor Leokadia Oręziak). The results were announced at a ceremony held on 23 May 2014 during the Warsaw Book Fair at the National Stadium. The competition was held for the fourth time, the best economic and business books issued in the past year were awarded. http://www.książkiekonomiczne.pl/art/show/243/o-lepszy-lad-społeczno-ekonomiczny
The Investment Future of Poland

During the 25 years of the Polish transformation and 10 years of membership in the European Union, Poland has made a giant leap forward. Particularly visible changes have taken place in the field of economic and social infrastructure. The EU funds were an important support for these changes. In the coming years the “Polish Investments for Development SA” should play an increasingly important role in this respect, conducting investment activities in areas such as energy, transport, and industrial and telecommunications infrastructure. Below we present some basic information on the subject.

Polish Investments for Development S.A. (PIR), established as the equity vehicle of the Polish Investments program, aims to provide funding through equity and mezzanine instruments to viable special purpose vehicle (“SPV”)-based infrastructural projects based in Poland. PIR’s total exposure to a single project may range from PLN 50 to 750 million, while infrastructure encompasses the following six sectors: power generation and distribution; hydrocarbons production, transportation and storage; transport; municipal infrastructure, industrial infrastructure and telecommunications infrastructure. The mission is to drive GDP growth and job creation and/or efficiency.

The projects in which PIR is to be involved are evaluated on a commercial basis within a three-stage decision-making process by a team of experts with long-term experience in project finance and equity investments, gained entirely in private sector institutions. PIR operates as a source complementary to commercial sources of finance, both equity and debt. PIR’s involvement must meet the private investor test. In its activity PIR promotes best business practices, being a competence center for infrastructural equity investments and limited recourse financing.

Since the commencement of its core activity in mid-October 2013 PIR’s team assessed over 100 project ideas, out of which over fifty were classified as viable projects, of which seven passed the initial approval and moved to the due diligence phase. The most important of these were:

- On 7th October 2013 PIR and LOTOS Petrobaltic S.A. (LPB) signed a preliminary agreement regarding the B8 oil field development project in the Baltic Sea. Structured as an SPV, this PLN 1.7 billion project will complete the development of the documented reserves and will commence production of crude oil and natural gas. The scope of work will include the conversion of an exploration rig to a production facility, the construction of underwater infrastructure and the final preparatory tasks before the injection wells come online. It will also build a 60 km-long gas pipeline which will feed the gas produced by the facility to a gas-fired CHP plant in Władysławowo. Commercial production from this 3.5 million ton field is expected to commence by the beginning of 2016. In addition to PIR’s mezzanine support, the project will be debt-funded by a club of commercial banks.

- On 3rd February 2014 PIR signed a preliminary agreement with MPEC Olsztyn, a municipal heat distribution company located in Olsztyn, north-east Poland, regarding the financing of a new, highly efficient heating plant to be built in Olsztyn and the retrofitting of an existing Kortowo coal-fired heating plant, which is to act as a peak energy source. The new facility will be operating on the basis of alternative, communal waste-derived, fuel which will be produced by the MBT plants operating in 37 local communities of the warmińsko-mazurskie voivodship. On 20th March 2014 PIR signed a preliminary agreement with Tauron Polska Energia regarding the financing of a 413 MW gas-fired CHP unit at Łagiszowa Power Station in Będzin. It will be one of Tauron’s biggest investment projects so far and one of the biggest projects of this type currently being undertaken in Poland. Its value will exceed PLN 1.5 billion, and PIR’s involvement will reach the maximum allowed level of PLN 750 million. The unit will commence operation at the end of 2018. The investment project consists of the construction of the power unit with complete infrastructure and all auxiliary equipment and connections. The new highly efficient unit (at least 58 percent of net efficiency) will comprise a steam turbine, a gas turbine and a waste heat boiler. It will be equipped with a 250 MWt heat unit functioning as the heat source for customers using Łagiszowa Power Station resources as well as the water and process steam source for the needs of the 460 MWt coal unit operated in the plant.
Authorities of the Society

Professor Elżbieta Mańczyńska, President of the Polish Economic Society.
Elżbieta Mańczyńska is a Professor of Economics at the Warsaw School of Economics, she chairs the Department of Research on Enterprise Bankruptcy. She is a researcher at the Institute of Economic Sciences of the Polish Academy of Sciences. She is the author, co-author and scientific editor of about 200 publications in the field of economic analysis, finance, valuation of enterprises, economic systems, and strategies for socio-economic development. She leads a team conducting empirical research in the field of bankruptcy of enterprises. She teaches such courses as, Economic and Financial Analysis, and Valuation of Enterprises. Mańczyńska is a Member of the Presidium of the “Poland 2000 Plus” Forecast Committee, member of the Committee of Economic Sciences of the Polish Academy of Sciences. In the years 1994-2005 she was a scientific secretary of the Social and Economic Strategy Council at the Council of Ministers. She is a head of the annual two weeks seminar on ordoliberalism and the social market economy held in Vlotho in Germany. (zk@pte.pl)

Professor Stanisław Rudolf, Vice President of the PTE for international cooperation. Earlier, he was the President of the PTE Branch in Łódź.
He is a Professor of Economics at the University of Lodz. For many years he led the Department of Institutional Economics. He is the author of over 200 books, articles, out of which more than 40 are in English. Rudolf’s work focuses on employee participation, industrial democracy, corporate governance and the new institutional economics. He led many teams conducting research on these issues. Rudolf teaches such classes as Micro-and Macroeconomics, Participatory Management, Corporate Governance, Developing Entrepreneurial Attitudes, etc. He participates in congresses of the IEA and EEA. He is closely associated with the Congress of Political Economists (COPE). In the years 2001 - 2005 he served as President Elect, then the President of the organization. Currently he is a member of the Board of Directors of COPE. (Rudolfs@uni.lodz.pl)

Doctor Artur Pollok, the Vice President of the Polish Economic Society. President of the PTE Branch in Cracow.
He is an Assistant Professor in the Department of Economics at the Cracow University of Economics. He has published about 60 works of a scientific and didactic nature. Pollok works on microeconomics issues, economics of the household and processes of consumption and saving, relationships of religion with economics, and ethical aspects of management. He is a Vice Chairman of the Central Committee of the Knowledge of Economics Competition; in 1991 he was the winner of this competition. He is a scientific secretary of the Editorial Committee of the “Zeszyty Naukowe Polskiego Towarzystwa Ekonomicznego” [Scientific Papers of the Polish Economic Society] issued by the Branch of the PTE in Krakow. He is a member of the Editorial Board of the “Bulletin of the Polish Economic Society.” (pollok@pte.pl)
Professor Zdzisław Sadowski, Honorary President of the Polish Economic Society. In the years 1985-2005 President of the PTE.
Professor of Economics, Emeritus Research Fellow at the University of Warsaw (1953-2005). Sadowski’s work focuses on macroeconomics, economic policy, statistics, and the theory of economic development. He was Deputy Prime Minister in the government of Zbigniew Messner 1987-1988. He is still active in the economic life and science. He is a corresponding member of the Polish Academy of Sciences (PAN), member of the PAN Presidium “Poland 2000 Plus” Forecast Committee, as well as editor of the most important magazine of Polish economists, the “Ekonomista”. He is a member of and was presiding over the Polish Association for the Club of Rome. He is a member of many national and international scientific societies. (sadowski@pte.pl)

Professor Bogusław Fiedor, Chairman of the Scientific Council of the Polish Economic Society.
He is a Professor of Economics at the University of Economics in Wroclaw. In the previous term, he was the Rector, and currently is the Vice-Rector of this University in charge of International Cooperation. Fiedor has written nearly 400 scientific publications. He specializes in environmental economics, history of economic thought, methodology of economics, and microeconomics. He led about 50 national and international research projects. He has taught at several American and German universities. He is a member of program councils and editorial boards of a number of renowned national and foreign periodicals. He is a Vice-Chairman of the Committee of Economic Sciences of the Polish Academy of Sciences, member of the Presidium of the Conference of Rectors of Academic Schools in Poland. In the years 1997 - 2005 he served as Vice Chairman of the Social and Economic Strategy Council at the Council of Ministers. (boguslaw.fiedor@ue.wroc.pl)

Poland’s Transition and Its Future
edited by Elżbieta Mączyńska, PTE, Warsaw, 2009

The issues presented in the book concern the development of economic theory and its main trends and the relationship between economics and other disciplines classified as economic sciences. The book presents not only suggestions regarding the course of the development of economic research but first of all those addressed to economic policy and practice.

The publication is part of the series, which commemorates the achievements of the 7th Congress of Polish Economists entitled “Poland in the global economy. Opportunities and threats for development.”
Memorial on the Intellectual Crisis

The development of individual countries in the coming decades will be determined largely by global threats. These threats are now different from what we know from the past. They occur with greater intensity, they have become common, with a strong tendency to accumulate, and in addition are characterized by a high visuality which is a result of the information revolution. Due to the development of new information and communication technologies the highly interdependent network society emerged which is not, however, accompanied by adequate intellectual reflection.

The information revolution which takes place in the conditions of globalization, through its detachment from the socio-cultural background of communities and nations, creates a serious threat both to the continuation of the current world order, as well as to the creation of a new order associated with the development of the civilization of knowledge, which is gradually replacing industrial civilization. This points to the urgent need for a new conceptualization of economic and social theories which would take into account on one hand, the universality of the market economy, and on the other hand not only economic differences, but also specificities of the different cultural systems existing in the world today. These theories should also take into account the consequences of the mutual relationship between states, particularly in the context of the social consequences caused by the increasing mobility of the population.

The intellectual crisis is most visible today in the problems which arise when trying to solve both current and long-term social, economic, and political problems. It seems necessary, therefore, to launch a broad and well thought-out debate on the entire education system and the ways to pursue direct a significant part of the research, embedded in the broad context of global issues. Political bodies should also participate in the debate. Time is not on our side, because changes occur at a rate much faster than the reflection necessary for their full understanding by the educational, scientific, and political environments.

One should hope that the current dynamism of development can be turned to the benefit of the entire human civilization. However, it requires a huge collective effort to understand the nature of the threats posed by the information revolution and the proper organization of measures to overcome the growing intellectual crisis.

The Forecasting Committee “Poland 2000 Plus” at the Polish Academy of Sciences was founded in 1969, and is engaged in interdisciplinary studies on the future. It is a non-governmental and social organization. It was created at the initiative of the academic community. It is an expression of their belief that in the modern world undergoing rapid changes, there is an urgent need for a long-term study of the various possible scenarios. In its work, the Committee seeks to identify a possible future shape of Polish society, its economy, and culture 15-30 years from now.

The Committee is chaired by Professor Michal Kleiber (President of the Polish Academy of Sciences), while Professor Jerzy Kleer is a Vice-Chairman.
What my Economic Society means for me: a fantastic adventure, and also the possibility of social action [public activity] which I started while in college in the Polish Students’ Association.

The money I earn: without much effort

The biggest sin of economists is: they unnecessary complicate problems

There is no day for me without: morning gymnastics

Success for me is: to go to bed before midnight

People do not know about me that: I used to be very shy

I’m the boss, that: is tolerant, but demanding

I could hire: a person with the ability to solve problems

I would not hire: a bitter pessimist

What does competition mean for me? this is an extraordinary drive for everyone and for the whole economy

I spent holidays: with my family, without a computer

What makes me mad: human stupidity

I’ll never deny myself: sweets, but I do not get fat

The Internet is: a big rubbish heap, from which I pick up what, is interesting to me

I’m reading: more and more, not only during the holidays

I watch: everything that is interesting

Favourite gadget: a car, which I frequently change

If I was not who I am, I would be: I cannot imagine another profession

If it depended on me, I would change: I would increase funds for construction of highways

The strangest thing I have, is: a pre-war “Olympia” typewriter, on which I typed my doctoral dissertation

Stanisław Rudolf – chemistry and economics graduate of the University of Łódź. Professor of Economics. The founder and a long-time Head of the Department of Institutional Economics, University of Łódź. Specializes in issues of employee participation, corporate governance, and the new institutional economics. For many years associated with the Polish Economic Society. Currently serves as Vice President of the National Board of the PTE. He prefers active recreation.
This is the Seat of the National Board of PTE

Bentkowski’s town house in Warsaw, at 49, Nowy Świat Street

A classical, three-storey town house built approximately 1820 –1822. The building was designed by Hilary Szpilowski for Feliks Bentkowski (Professor, the Dean of the Faculty of Sciences and Arts). The building with the garden was entered in the register of monuments.

In the second half of the nineteenth century, Adam Zelt, sculptor lived in the tenement house. The building was rebuilt in the nineteenth century and in the early twentieth century. During World War II, it was burned and partially destroyed and rebuilt in the years 1947-1949 to the design of Zygmunt Stepiński and Mieczysław Kuzma. Since 1948 it is a place of work and meetings of members of the Polish Economic Society.

The town house is rectangular in plan. Four Doric half-columns are in the middle of the façade.

Source: http://pl.wikipedia.org/wiki/Kamienica_Bentkowskiego_w_Warszawie

1. Bentkowski’s house, 1819–1822, designed by H. Szpilowski, destroyed in 1939, rebuilt in 1948
2. Ludwik Krzywicki’s house, The House of an Economist
3. Renovation of the building was cosponsored the city of Warsaw