

**Justin Yifu Lin and Alojzy Nowak’s (Eds.),
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Among the various elements of interest in the book edited by Justin Yifu Lin and Alojzy Nowak, I would like to highlight the common thread of the different contributions with a focus on the New Structural Economics (NSE) approach first considered in its more general characteristics and then in specific applications, with particular regard to the Polish case. This approach aims to analyse the growth dynamics of modern economies in terms of changes in fundamental economic structures. In general, we economists tend to classify the economic approaches, and then the theories from which the approaches derive. I must confess that the NSE approach would seem a little difficult to classify. However, I propose positioning it within the family of evolutionist approaches with the merit of recovering methodologies in part belonging to classic theory (Ricardo and especially Marx) and in part to heterodox theories that impose a reading adhering to a realistic logic of economic dynamics.

In the wake of the philosophical school of structuralism, developed years ago in France, the economist who more than others tried to systematize the concept of economic structure was certainly Francois Perroux, who was active in the middle of the last century. Perroux saw economic structure as the network of ties that bind simple and complex units, through a series of proportions among the flows and stocks of the elementary units, and the objectively significant combinations of these units. Be that as it may, the concept of structure in economics aims at highlighting sufficiently stable systemic states, or if preferring, steady-state equilibrium. The identification of systemic equilibria is combined with a homogeneous identification of institutions seen in North’s perspective as solutions to games of strategy, according to Nash.

If the structure identifies a stable equilibrium among the fundamental components of an economy, economic development in turn identifies the

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dynamics that are determined by the change in the economic structures of the countries involved, starting from technological innovations, without forgetting the dynamic processes that take place in systems of international economic relations, and therefore in institutional systems. All of this is evident in the story that begins with Bretton Woods, and has consisted in deriving the design of a new world economic order, mainly liberal, under the hegemony of the USA. On the other hand, in Eastern Europe, a different and antagonistic project of international economic order was being built under the hegemony of the Soviet Union. The dissolution of this last system marked the victory of the liberalist order. In turn, within this order, through propagation, another was forming, namely, the European economic integration process. What has been happening in the world's economies presents asymmetries that neoliberal theorists did not fully foresee. Still less foreseeable are the future developments of world economic systems. An uncertainty mirrored in Alojzy Nowak's contribution "*What is the Future of the Global Economy?*" focused on the relationship between the evolutionary paths of the Polish economy and exogenous impulses, among which the redesign of the political and economic systems determined in Eastern Europe after 1990.

The importance of the systems of international economic relations is highlighted in Kenneth Friedman and Ruth Taplin's contribution "*Free Trade and Unfettered National/Corporate Interest?*". To a certain extent, the work of Friedman and Taplin highlights the gap that has manifested between the free trade philosophy and the real processes that took place in national economic systems that adopted the liberal mainstream theory. Concretely, forces have been released that have not been able to channel the irrepressible energy manifested with globalization. In this regard, the story of the European integration process is enlightening in relation to which Harald Sander in his contribution to the European Policy Agenda highlights the difficulties which could be defined as structural, experienced by the European economic integration process. Paradoxically, the European economic integration process can be seen as the manifestation of a globalist dynamic and, at the same time, as a strategy used by European countries to defend themselves against the most dangerous effects of globalization.

It is unquestionable that globalization – understood in its broadest meaning – can lead to structural changes capable of affecting the competitive abilities of individual countries and the national structures of labour markets, triggering cumulative income differentiation processes. This also occurs within the European Union, in which changes in the structures of the real economies of the various member countries modify the national social equilibria, as well illustrated by Andrzej Sopoćko in the paper "*Secular Structural Processes. Unexpected Results*". An inescapable consequence of globalization is the rift between economic action and political action in the sense that economic action tends to form its own specific institutions,

sometimes in conflict with the original national institutions. A phenomenon referenced by Kazimierz Ryć in *“Control Capital Against the Middle Income Trap”*. The hegemony of creative institutions in the global market, even through self-organizing processes, means that in economically weaker countries, enterprises play roles that are subordinated to the most predominant multinational companies.

However, as Justin Yifu Lin and Xiaobing Wang remark, in weaker economies, defensive strategies can be determined and implemented by national governments aiming to strengthen some sectors capable of some technological leadership, however, leading to the polarization of economic activities with correlated forms of hierarchization among regional economies. Such polarization should not necessarily be seen as negative, as it can determine the birth of productive clusters capable of allowing weaker countries to remain players at the international level. The thesis I support here, which is not necessarily that supported by the authors of the contributions I examine, is that structural economic policies can determine the acquisition of competitive advantages, according to Michael Porter’s well known analysis. The Porterian analysis assigns great importance to strategies aimed both at companies and governments to occupy leadership positions in at least some productive sectors. So I would like to include, albeit to only a certain degree, Michael Porter among the advocates of the NSE approach. In light of the Porterian theory of competitive advantage, seen as a complementary theory to that of the NSE, I point to the work of Grzegorz Jędrzejczak and Henryk Sterniczuk titled *“The Use of New Structural Economics for Modernization and Enhancing the Innovativeness of the Polish Economy”*. This paper illustrates the philosophy of Polish policy on development strategies.

By hybridizing NSE with Porter’s lesson, one can understand why the application of NSE to a specific country in terms of policy does not necessarily entail an autarkic closure of that country. This is the case of Poland, which not only strengthened penetration of its industrial products in the European market, but was also able to open up to foreign companies, including multinationals, gaining certain spill-over advantages that foreign investments can determine for the host economies. Coherent with this point of view is Marian Górski and Patrycja Chodnicka-Jaworska’s work titled *“The Process of Catching up with the Economic Development of OECD Countries and the Role of Foreign Direct Investments in the Process”*. In turn, Beata Kozłowska-Chyła’s contribution *“Legal Environment for Foreign Investments in Poland”* can be read as a complement to the previous paper. Kozłowska-Chyła opportunely considers Polish regulations in the commercial field as a type of new economic structure capable of fostering foreign investments in Poland.

A further example of the NSE application is offered by Michał Kurtyka’s *“Can States be Turned into Automotive Innovation Hubs?”*, which illustrates

Poland's strategies to launch the local automotive industry. The volume concludes with the interesting paper of Bogdan Góralczyk titled "*Poland on the Route of the Chinese Silk Road: A Chance for Development or Just a Challenge?*". This paper discusses the opportunities for China, for the time being theoretical, of the strategy of expanding westwards, and then towards Europe. In particular, the so-called "Silk Road" is analysed through the question. In other words, it remains to be seen whether the Silk Road is an opportunity or a challenge for Poland, and not only for Poland.