

PRACE NAUKOWE

Uniwersytetu Ekonomicznego we Wrocławiu

RESEARCH PAPERS

of Wrocław University of Economics

Nr 450

Polityka ekonomiczna



Wydawnictwo Uniwersytetu Ekonomicznego we Wrocławiu
Wrocław 2016

Redakcja wydawnicza: Anna Grzybowska, Aleksandra Śliwka

Redakcja techniczna: Barbara Łopusiewicz

Korekta: Barbara Cibis

Łamanie: Adam Dębski

Projekt okładki: Beata Dębska

Informacje o naborze artykułów i zasadach recenzowania
znajdują się na stronach internetowych Wydawnictwa
www.pracenaukowe.ue.wroc.pl
www.wydawnictwo.ue.wroc.pl

Publikacja udostępniona na licencji Creative Commons

Uznanie autorstwa-Użycie niekomercyjne-Bez utworów zależnych 3.0 Polska
(CC BY-NC-ND 3.0 PL)



© Copyright by Uniwersytet Ekonomiczny we Wrocławiu
Wrocław 2016

ISSN 1899-3192
e-ISSN 2392-0041

ISBN 978-83-7695-617-6

Wersja pierwotna: publikacja drukowana

Zamówienia na opublikowane prace należy składać na adres:
Wydawnictwo Uniwersytetu Ekonomicznego we Wrocławiu
ul. Komandorska 118/120, 53-345 Wrocław
tel./fax 71 36 80 602; e-mail: econbook@ue.wroc.pl
www.ksiegarnia.ue.wroc.pl

Druk i oprawa: TOTEM

Spis treści

Wstęp	11
Lyubov Andrushko: Prognozowanie pozyskania drewna w Polsce na podstawie danych GUS / Roundwood production forecasting in Poland, on the basis of the data of the central statistical office.....	13
Tomasz Bernat: Przedsiębiorczość i oczekiwania większych zarobków a ryzyko podjęcia działalności / Entrepreneurship and higher earnings expectations vs. risk of business set up.....	25
Beata Bieńkowska: Spółdzielnie socjalne – szanse i bariery rozwoju przedsiębiorczości społecznej w Polsce / Social cooperatives – opportunities and threats for social entrepreneurship development in Poland.....	35
Wioletta Bieńkowska-Gołasa: Produkcja i wykorzystanie energii elektrycznej na Mazowszu z uwzględnieniem OZE / Production and use of electricity in Mazowsze with the consideration of renewable energy sources.....	46
Agnieszka Biernat-Jarka: Dzierżawa jako sposób zwiększenia powierzchni gospodarstw rolnych w województwie mazowieckim / Leasing as a method of farms' area increase in Mazowsze Voivodeship.....	56
Krystyna Bobińska: Miejsce kraju w rankingach wieloczynnikowych jako podstawa do identyfikacji nieuruchomionych rezerw rozwoju gospodarczego / The place of the country in the multifactoral ratings as a basis for identification of the hidden reserves for economic growth.....	68
Malgorzata Bogusz, Sabina Ostrowska: Wybrane problemy polityki społecznej i zdrowotnej wobec osób starszych na poziomie lokalnym – sztuka partycypacji / Chosen problems of social and health policy for seniors at local level – the capability of participation.....	82
Przemysław Borkowski: Problemy prowadzenia rachunku kosztów i korzyści w inwestycjach infrastrukturalnych / Challenges in optimising cost-benefit analysis in infrastructure projects.....	91
Barbara Chmielewska: Dysproporcje w jakości życia ludności wiejskiej i miejskiej a polityka ich zmniejszania / Disparities in quality of life of rural and urban population vs. policy of its reduction.....	103
Kazimierz Cyran: Postrzeganie marek własnych produktów żywnościowych a perspektywy ich rozwoju / The perception of private labels of food products vs. the prospects for their development.....	114
Sławomir Dybka: Skuteczność promocji w Internecie – perspektywa klienta / Effectiveness of the Internet promotion – customer perspective.....	125
Malgorzata Gasz: Priorytety rozwoju innowacyjności polskiej gospodarki / Priorities of Polish economy innovation development.....	138

Aleksandra Gąsior: Poziom rozwoju transportu jako determinanta procesu restrukturyzacji dużych przedsiębiorstw / The level of transport as a determinant of the process of large enterprises restructuring	150
Edyta Gąsiorowska-Mącznik: Przedsiębiorczość w strategiach gmin województwa świętokrzyskiego / Entrepreneurship in strategies of municipalities of Świętokrzyskie Voivodeship	161
Jarosław Górecki, Jadwiga Bizon-Górecka: Analiza zachowania inwestorów w odniesieniu do kryterium ceny za roboty budowlane / Behavior of investors and price for construction works.....	172
Artur Grabowski: Wolność prowadzenia działalności gospodarczej w obszarze sportu profesjonalnego / Freedom of business activity in the area of professional sport.....	182
Sylvia Guzdek: Kooperacja jako główna forma współpracy przedsiębiorstw w międzynarodowych sieciach biznesowych / Cooperation as the main form of cooperation in international networks of business	191
Marcin Halicki: The Foster-Hart measure as a tool for determining the set of risky portfolios that do not expose the investor to the bankruptcy / Miara Fostera-Harta jako narzędzie do wyznaczania zbioru ryzykownych portfeli, które nie narażają inwestora na bankructwo.....	205
Mateusz Halka: Wykonawcy robót budowlanych na rynku zamówień publicznych a ich kondycja ekonomiczno-finansowa / Construction contractors on the public procurement market vs. their economic and financial standing	217
Tomasz Holecki, Magdalena Syrkiewicz-Świtała, Agnieszka Bubel, Karolina Sobczyk: Finansowe konsekwencje realizacji dyrektywy transgranicznej w ochronie zdrowia / Financial consequences of the implementation of the cross-border healthcare directive	229
Żaklina Jabłońska: Marketing relacji i CSR jako narzędzia budowania przewagi konkurencyjnej przez franchyzodawców branży gastronomicznej w Polsce / Relationship marketing and CSR as tools for building of competitive advantage by franchisors of foodservice industry in Poland	241
Sławomir Jankiewicz: Wpływ bezpieczeństwa energetycznego na rozwój gospodarczy w Polsce / The impact of energy security to the economic development in Poland	251
Emilia Jankowska: Zróżnicowanie infrastruktury transportowej w kontekście polityki Unii Europejskiej / The diversity of transport infrastructure in the context of the EU policy	260
Bożena Karwat-Woźniak, Paweł Chmieliński: Przemiany w strukturze agrarnej polskiego rolnictwa i wpływ wybranych instrumentów WPR na te procesy / Changes in the agrarian structure of Polish agriculture and the impact of selected CAP measures on these processes	272

Ewa Koloszyz: Światowy rynek mleka – wybrane zagadnienia / World dairy market – selected issues	287
Agnieszka Komor: Wybrane uwarunkowania strukturalne decyzji lokalizacyjnych małych i średnich przedsiębiorstw / Chosen structural conditions of localization decisions concerning small and midium enterprises.....	298
Aleksandra Koźlak, Barbara Pawłowska: Współczesne wyzwania europejskiej polityki transportowej / Current challenges of European transport policy	311
Hanna Kruk, Anetta Waśniewska: Parki krajobrazowe i narodowe jako element rozwoju zrównoważonego na przykładzie gmin województwa wielkopolskiego / National and landscape parks as part of sustainable development. Case study: Wielkopolska Voivodeship communes	323
Anna Krzysztofek: Dyrektywa 2014/95/UE oraz wynikające z niej zmiany / Directive 2014/95/EU, and changes resulting from it	334
Władysława Łuczka: Ekologiczna gospodarka żywnościowa w województwie wielkopolskim w okresie integracji z Unią Europejską / Ecological food economy in Wielkopolska Voivodeship in the time of accession into the European Union	347
Aleksandra Majda: The analysis of succession strategy, success determinants in Polish family business – case study / Analiza determinant sukcesu strategii sukcesyjnej w polskich przedsiębiorstwach rodzinnych – studium przypadku.....	357
Janusz Majewski: Problem wyceny zapyłania jako usługi środowiskowej / The problem of the valuation of pollination as environment service	369
Arkadiusz Malkowski: Ruch graniczny jako czynnik rozwoju regionu przygranicznego na przykładzie pogranicza zachodniego Polski / Border traffic as a factor in the development of border regions on the example of the borderland of Western Poland.....	378
Grażyna Michalczuk, Agnieszka Zalewska-Bochenko: Platforma e-PUAP jako przykład elektroniczacji usług administracji publicznej dla ludności / e-PUAP as an example of electronic services of public administration for the citizens	390
Danuta Mierzwa, Małgorzata Krotowska: Czynniki ekonomiczno-społeczne integracji poziomej rolników – raport z badań / Economic and social factors of horizontal integration of farmers – study report	399
Karolina Olejniczak: Czynniki rozwoju obszarów funkcjonalnych w świetle badań empirycznych / Factors of functional areas development in the light of empirical research	410
Dorota Pasińska: Polski rynek drobiu po wstąpieniu do Unii Europejskiej / Polish poultry market after the accession to European Union	421
Ewa Polak, Waldemar Polak: Wskaźniki dotyczące zdrowia i opieki zdrowotnej jako mierniki jakości życia w Polsce na tle wybranych państw /	

Indices referring to health care as the measure of life quality in Poland in comparison to selected countries.....	433
Adriana Politaj: Zakłady aktywności zawodowej oraz zakłady pracy chronionej jako pracodawcy osób niepełnosprawnych w Polsce / Vocational development centres and sheltered workshops as employers of handicapped persons in Poland	446
Iwona Pomianek: Klasyfikacja gmin miejsko-wiejskich w Polsce według poziomu rozwoju społeczno-ekonomicznego / Classification of semi-urban communes in Poland by the level of socio-economic development	458
Zdzisław W. Puślecki: Current re-shaping of international business / Obecne zmiany kształtu biznesu międzynarodowego	471
Magdalena Ratalewska: Rozwój sektora kreatywnego gier komputerowych w Polsce / The development of the creative industries sector of computer games in Poland.....	491
Jarosław Ropęga: Czynniki niepowodzeń gospodarczych małych przedsiębiorstw w aspekcie nowego paradygmatu cywilizacyjnego / Failure factors of small enterprises in the context of new paradigm of civilization ...	501
Robert Rusielik: Wykorzystanie alternatywnych indeksów produktywności do pomiaru efektywności rolnictwa w Polsce / Alternative productivity indexes for measuring agricultural efficiency in Poland.....	514
Izabela Serocka: Znaczenie czynników lokalizacji przedsiębiorstw a aktywność władz lokalnych gmin województwa warmińsko-mazurskiego / The importance of business location factors vs. the activity of Warmia and Mazury Voivodeship local authorities.....	524
Katarzyna Smędzik-Ambroży, Joanna Strońska-Ziemiann: Rozwój lokalny na obszarach wiejskich o zróżnicowanym rolnictwie (przypadek podregionu pilskiego na tle sytuacji w Wielkopolsce) / Local development in rural areas with diversified agriculture (the case of pilski subregion on the background of the situation in Wielkopolska).....	538
Karolina Sobczyk, Tomasz Holecki, Joanna Woźniak-Holecka, Michał Wróblewski: Wykorzystanie środków publicznych w walce z wykluczeniem cyfrowym na poziomie samorządowym / Public funds use against digital exclusion at the level of self-government	550
Michał Świtłyk: Efektywność techniczna gospodarstw mlecznych w Polsce w latach 2009-2011 / Technical efficiency of dairy farms in Poland in 2009-2011.....	561
Dariusz Tłoczyński: Konkurencja pomiędzy przewoźnikami Ryanair i Wizz Air jako element rozwoju polskiego rynku usług transportu lotniczego / Competition between Ryanair and Wizz Air as an element of development of Polish air transport market	570

Weronika Toszewska-Czerniej: Productivity of service delivery process as a factor affecting the level of differentiation / Produktywność procesu usługowego jako czynnik kształtujący poziom zróżnicowania	584
Roman Tylżanowski: Stymulatory procesów transferu technologii w przedsiębiorstwach przemysłowych wysokiej techniki w Polsce / Stimulators of technology transfer processes in high-tech manufacturing sector in Poland	594
Małgorzata Wachowska: Czas pozyskiwania cudzych idei przez przemysł. Doświadczenia Polski / Adoption time of others' ideas by industry. Experience of Poland	606
Agnieszka Werenowska: Kierunki zmian na rynku niskokosztowych linii lotniczych / Directions of changes in the market of low-cost airlines.....	616
Barbara Wieliczko: Wspólna Polityka Rolna a zarządzanie ryzykiem w rolnictwie / Common agricultural policy vs. risk management in agriculture	626
Artur Wilczyński: Progi rentowności w gospodarstwach mlecznych w latach 2013-2020 / Break-even point analysis for dairy farms in 2013-2020	633
Jarosław Wołkonowski: Handel zagraniczny Litwy w latach 2012-2015 a sankcje gospodarcze przeciw Rosji / Lithuanian foreign trade in the years 2012-2015 vs. economic sanctions against Russia	644
Arkadiusz Zalewski: Uwarunkowania regionalnego zróżnicowania poziomu nawożenia mineralnego w Polsce / Determinants of regional differences of level of mineral fertilization in Poland.....	658
Anna Zielińska-Chmielewska, Mirosław Walawski: The use of futures rapeseed contracts exemplified by a trading company in Poland / Zastosowanie kontraktów <i>futures</i> na rzepak przez przedsiębiorstwa handlowe w Polsce	669

Wstęp

Z wielką przyjemnością oddajemy w Państwa ręce publikację pt. *Polityka ekonomiczna*, wydaną w ramach Prac Naukowych Uniwersytetu Ekonomicznego we Wrocławiu. Opracowanie składa się z 58 artykułów (w tym 5 w języku angielskim), w których Autorzy prezentują wyniki badań dotyczących zagadnień związanych z funkcjonowaniem współczesnych systemów gospodarczych w zakresie polityki gospodarczej. Tematyka podjęta w artykułach jest stosunkowo szeroka – mieści się w czterech obszarach problemowych. Pierwszy przedstawia rozważania związane z polityką innowacyjną, wolnością prowadzenia działalności gospodarczej oraz formami współpracy przedsiębiorstw. Drugi obszar dotyczy polityki transportowej, w tym infrastruktury i konkurencji. Trzeci obejmuje opracowania z zakresu polityki społecznej i zdrowotnej państwa – na poziomie zarówno krajowym, jak i lokalnym. Czwartą grupę stanowią artykuły dotyczące rolnictwa, w tym szczególnie wspólnej polityki rolnej i przemian w strukturze agrarnej.

Publikacja przeznaczona jest dla pracowników naukowych szkół wyższych, specjalistów zajmujących się w praktyce problematyką ekonomiczną, studentów studiów ekonomicznych oraz słuchaczy studiów podyplomowych i doktoranckich.

Artykuły składające się na niniejszy zbiór były recenzowane przez samodzielnych pracowników naukowych uniwersytetów, w większości kierowników katedr polityki ekonomicznej. W tym miejscu chcielibyśmy serdecznie podziękować za wnikliwe i rzetelne recenzje, często inspirujące do dalszych badań. Oddając powyższą publikację do rąk naszych Czytelników, wyrażamy nadzieję, że ze względu na jej wszechstronny charakter spotka się ona z zainteresowaniem i przyczyni do rozpoczęcia inspirujących dyskusji naukowych.

Jerzy Sokołowski, Grażyna Węgrzyn

Zdzisław W. Puślecki

Adam Mickiewicz University in Poznań

e-mail: zdzislaw.puslecki@amu.edu.pl

CURRENT RE-SHAPING OF INTERNATIONAL BUSINESS

OBECNE ZMIANY KSZTAŁTU BIZNESU MIĘDZYNARODOWEGO

DOI: 10.15611/pn.2016.450.41

JEL Classification: F13

Summary: In this research work, the author focuses on the analysis of the current re-shaping of international business. Due to technical progress and to the growth of economic ties between particular countries, participants in the world economy, the benefits resulting from liberalised international trade and from the freedom of movement of foreign direct investments become bigger not only for the industrialised countries but also for the so-called “emerging markets”, that is, the countries that find themselves on the stage of the accelerated development. It has to be emphasized that there are the needs for new approaches to trade cooperation in the light of the forces that are currently re-shaping international business. It suggests that the multilateral trading system will need to adjust to developments in trade and in the trading environment. The key of trade developments within the broader socio-economic context is especially the rise of global supply chains, the general shift of trade power away from the West towards Asia. What indicates the importance and innovativeness of the research is the presentation of new models of the foreign trade policy and trade interests. First of all it has to be underlined that in the new theoretical terms in the demand for trade policy the specific factor is very important. The low specificity of factors means that factor returns are equalized throughout a region’s economy. On the other hand some factors are stuck in their present uses; therefore, factor returns are not equalized throughout a region’s economy, but are industry specific. The main objective of the research task is to give a comprehensive analysis of the models of foreign trade policy, trade interests indicated by export orientation and import sensitivity, protectionist pressures in different political system and different types of authoritarian regimes, the level of protectionist pressures, the rise of qualitatively new politics in north-south relations like bilateral tendencies. It should be stressed that free trade in itself is not responsible for the economic growth, but macroeconomic stability and increasing investment are significant.

Keywords: international business, current re-shaping, trade policy, public choice, liberalism, protectionism.

* The paper prepared in the framework of the Grant OPUS, Narodowe Centrum Nauki – NCN (National Centre of Science – NCS), Nr UMO – 2013/11/B/HS5/03572

Streszczenie: W podjętej pracy badawczej autor skoncentrował się na analizie obecnych zmian kształtu biznesu międzynarodowego. Stosownie do postępu technicznego i wzrostu gospodarczego powiązania między poszczególnymi państwami, uczestnikami gospodarki światowej, wpływające na korzyści będące rezultatem zliberalizowanego handlu międzynarodowego i swobodnego przepływu bezpośrednich inwestycji zagranicznych, stają się wyższe nie tylko dla państw wysoko uprzemysłowionych, ale także dla tak zwanych rynków wschodzących, to jest państw znajdujących się w fazie przyspieszonego rozwoju. Należy zaznaczyć, że prowadzi to do potrzeby ukształtowania się nowego podejścia do współpracy handlowej w świetle sił, które obecnie zmieniają kształt biznesu międzynarodowego. Sugeruje to, że aktualny wielostronny system handlowy powinien dostosowywać się do dynamiki rozwojowej handlu międzynarodowego i do otoczenia handlowego. Kluczem do dynamiki rozwoju współczesnego handlu międzynarodowego w ramach szerokiego kontekstu społeczno-ekonomicznego jest przede wszystkim wzrost globalnego łańcucha dostaw i ogólne przesunięcie się strumienia handlowego z Zachodu w kierunku Azji. Biorąc pod uwagę ważność i innowacyjność podjętego badania naukowego, należy wskazać przedstawienie nowych modeli zagranicznej polityki handlowej i interesów handlowych poszczególnych państw. Warto przede wszystkim podkreślić, że w nowym ujęciu teoretycznym w zapotrzebowaniu na rodzaj prowadzonej polityki handlowej bardzo ważny jest czynnik specyficzny. Słabe wyodrębnienie czynnika specyficznego oznacza, że czynniki przynoszące dochód pojawiają się w gospodarce regionalnej. Z drugiej jednak strony, niektóre czynniki można wyodrębnić na podstawie ich aktualnego działania, zatem czynniki przynoszące dochód nie ujawniają się tylko w regionach, lecz w odpowiednich gałęziach przemysłu. Celem głównym pracy jest szeroka analiza modeli zagranicznej polityki handlowej, interesów handlowych wskazanych przez orientację eksportową i „wrażliwość” importową, presji protekcyjnych w różnych systemach politycznych i w różnych rodzajach reżimów autorytarnych, poziomu presji protekcyjnych, ilościowego wzrostu nowych polityk w stosunkach między Północą i Południem, na przykład tendencji bilateralnych. Należy przy tym równocześnie podkreślić, że wolny handel sam w sobie nie jest odpowiedzialny za wzrost gospodarczy, lecz decydujące znaczenie ma stabilizacja makroekonomiczna i wzrost inwestycji.

Słowa kluczowe: biznes międzynarodowy, obecna zmiana kształtu, polityka handlowa, wybór publiczny, liberalizm, protekcjonizm.

1. Introduction

Due to technical progress and to the growth of economic ties between particular countries, participants in the world economy, the benefits resulting from liberalised international trade and from the freedom of movement of foreign direct investments become bigger not only for the industrialised countries but also for the so-called “emerging markets”, that is, the countries that find themselves on the stage of the accelerated development. It has to be emphasized that there are needs for new approaches to trade cooperation in the light of forces that are currently re-shaping international business. It suggests that the multilateral trading system will need to adjust to developments in trade and in the trading environment. The key of trade develop-

ments within the broader socio-economic context is especially the rise of global supply chains, the general shift of trade power away from the West towards Asia.

In the process of the development of global economy, apart from the phenomenon of growing interaction between various countries and business which participate in the international economy, in the course of increasing competition in the area of new markets and of capital investments, the control measures in international trade can be observed. They are the subject of multilateral negotiations concerning the foreign trade liberalization issues, negotiations conducted on the World Trade Organisation (WTO).

2. Research and methodology

A realistic point were important trends in the global trade regime during the world economic crisis. The protectionist pressures revenues played a very important role in that time of the economic development. The main aim of the article is the indication of the current re-shaping of international business. The main objective of the research task is to present the political economy models of foreign trade policy, trade interests indicated by export orientation and import sensitivity, protectionist pressures in different political system and different types of authoritarian regimes.

The analyzed problems were solved with the use of both quantitative and qualitative research methods. The main research method applied in this economic analysis, was a method of scientific study used for splitting (of individual items, their sets, phenomena) by means of logical abstraction. There was also used the institutional method, analogy (comparative) method, which consisted in finding similarities and differences between the items under study, the documentation method and statistical methods. The descriptive method, as well as methods of descriptive statistics and forecasting were applied. Additionally, there were used the methods of deductive and inductive forecasting.

3. The models of foreign trade policy

Traditionally, political economy models of trade policy have tendend to focus on the demand for protection, with factor endowments driving political reactions to the exposure to international trade. Such a model simply assumed that adversely affected economic agents would organize to seek protection, which would be afforded to them by their elected representatives in the political system. The supply side for trade policy was either ignored or underspecified in most models [Thies, Porche 2007].

In the foreign trade policy theory interesting are the reviews of Alt et al. [1996] and Nelson [1988] about the demand for trade policy in terms of the theoretical importance of factor specificity. Specific factor refers to the ease with which factors

(land, labor, and capital) can move from one sector to another in an economy. The two dominant approaches to explaining the demand side of trade policy used radically different assumptions about the specificity of factors. The Heckscher-Ohlin model, used by Rogowski [1989] in his seminal contribution "Commers and Coalitions", assumes very low-factor specificity. The low specificity of factors means that factor returns are equalized throughout a region's economy. Producers should export goods that intensively use their abundant factors and import goods that intensively use their scarce factors, with the result that owners of abundant factors will favor free trade and owners of scarce factors will favor protectionism. Trade policy coalitions will therefore be organized along factor or class lines. On the other hand, Ricardo-Viner assumes that some factors are stuck in their present uses; therefore, factor returns are not equalized throughout a region's economy, but are industry specific. Trade policy coalitions should form along the lines of exporting versus import-competing industries.

Neither of these models explains how preferences over trade policies are actually translated into political action [Alt et al. 1996]. In a discussion of the endogenous tariff literature, Nelson [1988] notes that the mobility costs of the specific-factors model may be a result of productivity differentials, labor union activity, or individual preferences for membership in a given geographic area, industry, or firm (i.e., some form of solidarity). In all of these cases, one can derive a link to preferences for tariff policy, "but without additional information why the specific-factor model is chosen, it does not tell us much about political organisation".

Alt et al. [1996] suggest that one can begin to understand this process by assuming that rational individuals make cost/benefit calculations. The Heckscher-Ohlin and Ricardo-Viner models show us the benefits that individuals hope to receive, but the costs of collective action also intervene as they organize to achieve those benefits in the political system. Olson [1985] argues that small groups with specialized interests are easier to organize and more effective in securing economic rents than large groups with diffuse interests. Small groups are better able to control free riders than large groups, and groups with specific or homogenous interests can easier coordinate and target their activities than groups with diffuse or heterogenous interests. This approach is thought to explain the success of agricultural producer groups from developed countries in the organization for protection as well as their inability to do it in developing countries [Anderson 1995; Coleman 1998; Olson 1985; Olson 1986; Sheingate 2001].

However, Nelson [1988] points out that we should not assume that organized interests will be equally responsive to all issues. Institutionalized interaction among actors may help to explain systematic patterns of action, especially as institutions created for specific historical purposes may outlive those purposes. Alt et al. [1996] suggest that if a particular group has paid the fixed costs of establishing collective action and developed well-worn channels of access to public officials, it may defend its trade policy preferences even when the stakes are low because the marginal costs

of action are low. It may be the case that “a much more affected but inchoate group does nothing because the start-up costs of organization are too daunting”. Past strength of an organization should therefore be an important intervening variable predicting group action on trade policy. Further, as Nelson [1988] argues, once these institutions exist, supply-side interventions may also affect their usefulness as some are deemed legitimate or illegitimate aggregators of interest. Thus, we must examine the way in which economic institutions and political institutions interact. Most economic models simply assume that a model of the economy is a model of the demand side for trade policy, but Nelson [1988, p. 810] suggests that we have to elaborate the mechanisms by which demand is articulated to the suppliers of trade policy. For a good overview of this argument, it especially pertains to agriculture [Thies, Porche 2007].

If the political systems reward small sectoral groups, than individuals will not pay the costs of organizing large intersectoral coalitions. If the political system rewards large mass movements (i.e., majoritarianism), than individuals will have to pay the costs of organizing large intersectoral coalitions in order to achieve any benefits. Collective action costs and political institutions are interactive with factor specificity. They suggest that Rogowski’s [1989] Heckscher-Ohlin framework requires low factor specificity, low collective action costs, and domestic political institutions that favor mass movements. The Ricardo-Viner framework used by the endogenous tariff literature requires that factors are specific, collective action costs are high, and institutions are less majoritarian, with changes in any of these three variables also affecting the type of coalitions that form.

In the a rational dictator model state, the state may be seen as either pursuing “good government” goals along a social welfare function or intervening in the economy for its own self-interested model of the state viewed by politicians such as offering preferential trade policy to economic actors in exchange for political support [Magee et al. 1989; Grossman, Helpman 1994]. On the other hand, pluralist theory typically views the state as a neutral aggregator of demands from groups in society. The supply of trade policy is then determined by the balance of power on any given issue. The supply side of trade policy is relatively undeveloped theoretically, and yet a crucial part of the equation. A variety of different characteristics of the political system is posited to affect the supply of trade protectionism, such as politicians incentives to cultivate personal votes, the size of electoral districts, party fragmentation, federalism, presidential versus parliamentary systems, and so on [Nielson 2003; Rodrik 1995; Rogowski 1987a; Rogowski 1987b].

On a theoretical level, understanding the choice of trade policies in countries is very important. A survey of economists in 1984 suggested that one of the few things they agreed on was that, under most conditions, tariffs, and quotas reduced the general welfare [Frey 1984]. The stubbornness of protectionism in the face of international and academic pressure against it has led economists to seek explanations. These explanations range from the simple ignorance of politicians to arguments

about the rationality of protection for “infant industries” and “optimal tariff levels” in developing states. Faced with this frustrating question, scholars have increasingly turned to political answers in order to explain the choice of what would seem to be an “irrational” policy [Frey 1984; Nau 1989; Nelson 1988].

4. Trade interests indicated by export orientation and import sensitivity

The evidence considered provides substantial support for the argument that the trade interests of their constituents, as indicated by export orientation and import sensitivity of their district, influence policymakers’ behaviour on political and security issues. These effects are mediated by the party and the heterogeneity of constituency and are consistent in both roll-call voting and sponsorship activity [Kleinberg, Fordham 2013]. Export orientation appears to be somewhat more important than import sensitivity. Both have substantively meaningful effects on sponsorships, but only export orientation is a statistically significant predictor of roll-call voting [Kleinberg Fordham 2013].

Discussing the liberal argument it is important to underline that trade reduces international conflict and promotes cooperative foreign policies. The first is that the benefits of international trade indeed appear to influence policymakers’ attitudes toward trading partners as the liberal argument suggests [Kleinberg, Fordham 2013]. These results complement similar effects which can be found in surveys of mass public [Kleinberg, Fordham 2010; Fordham, Kleinberg 2011]

The second conclusion is an important qualification to the liberal argument, though not one that is at odds with its underlying logic. Because the aggregate benefits of international trade are not shared equally within the trading states, trade’s political effects do not apply to everyone. The fact that some people can expect their income to decline as a result of international trade is critically important in a situation when a conflict between trading partners is actually reduced. These people could contribute to demands for a less-cooperative foreign policy as well as for trade protection. In principle, the winners in the trading relationship should be able to remove this motive by compensating the losers out of the aggregate benefits of trade. In practice, such compensation is not always offered [Kleinberg, Fordham 2013].

It is important to underline that legislative measures do not always have an immediate effect on national policy [Kleinberg, Fordham 2013]. For example the East Asia Security Act did not become law, though it had substantial support. Many other measures have a large number of cosponsors. The executive branch can and does block many such measures that would harm for example US relations with China. These legislative measures are still consequential. The cost of blocking them rises with the number of members who support them. Facing an unfavorable domestic political environment, the executive might set aside cooperative measures that it would

otherwise have proposed. Moreover, for example the Chinese government does not discuss hostile proposals in Congress, so they may affect political relations, even if they do not become national policy [Kleinberg, Fordham 2013].

A bilateral relationship is also very important. This relationship is clearly unusual in some key respects. Relations of the USA with China are far more uncertain than relations with other major American trading partners, many of whom are longstanding democratic allies. Those harmed by trade with other states would make it difficult to convince other Americans to view them as potential enemies. However, it does not follow that trade cannot have effect on these relationships. There are points of tension and disagreement even among the closest allies. Those who lose from trade might support less cooperative positions on these differences, perhaps using them as the basis for limiting the trading relationship. The 1996 Helms-Burton Act's effort to force European firms to adhere to American sanctions against Cuba is one possible example of such a measure [Kleinberg, Fordham 2013]. Special research would be necessary to test the domestic political effects on trade in the context of friendlier international relationships, but there is not any reason to expect these effects to be confined to the relations between the United States and China [Kleinberg, Fordham 2013].

5. Protectionistic pressures in different political systems

It is important to indicate, that the role of trade unions in different political systems may be, to a high degree, different. In authoritarian systems it is, as a rule, smaller than in democratic ones. It would seem that if protectionistic pressure on the part of trade unions is weaker, the situation for economic growth is much better. Following that line of reasoning we could come to a conclusion that the authoritarian system is better for the effectiveness of the labour market. The examples of Chile, South Korea, Singapore and Turkey from the seventies and the early eighties could confirm that point of view. In many cases during those two decades the authoritarian regimes persecuted trade unions and put restrictions on the basic labour rights. During that period of oppression, South Korea, Singapore and Turkey experienced a spectacular growth in the sector of processing industry and in the growth of demand for labour. Growing profits and the demand for labour in a processing industry, caused a general growth of prosperity of the employed. Although similar results were not noted immediately during the authoritarian phase of development in Chile, a number of observers express the opinion that the reforms introduced at that time helped to reorganise Chilean economy in the nineties. The application of democratic rules, on the other hand, may lead to lower productivity of labour force. In a number of years different democracies, for example for the European Union, had to use significant financial resources for the employment of those who belonged to trade unions.

A different point of view shows that government legislation concerning the labour market may be applied more effectively in an authoritarian system than in a

democratic one. The authoritarian regimes often make use of individual interests of given circles. In most democratic countries there is no broad enough basis that would allow to use labour market policy for gaining the support from pressure groups, including the urbanised labour marked elite. The major difference between authoritarian and democratic regimes lies in the level of the outside influence. In a well functioning democracy, the outside opinions are also taken into account and there occur some limitations which come from the outside, which restricts the achievements of given groups of interest. In a dictatorship, a government cares only that those groups are not too strong.

There is, however, a number of democracies among the industrialised countries where an effective labour market exists. There is also a number of democracies with effective labour market policy among the developing countries. Similarly, in the countries in which the transformation from the authoritarian regime towards a democracy is taking place, avoiding unfavourable phenomena on a labour market is often a priority. For example, the Chilean government moved towards democracy and to free trade unions without home income growth. The end of oppression in South Korea, in 1987, started the partnership relations in full of conflicts industry [Banerji, Ghanem 1997].

It is worth considering which of the two points of view presented above should be given support, that is, which of them is the proper one. The analysis of that problem may be based on the Grossman and Helpman model [Grossman, Helpman 1994]. This model describes economic development on the basis of two sectors – urbanised, regulated processing sector, and rural, unregulated agricultural sector. The protection of the labour market, especially of minimum wages, is usually applied in order to bring the benefits for the employees of the regulated sector, since the sector of unregulated employees does not come under the legislation concerning the labour market.

The sector of regulated employees, and also the owners, demand from the government that it leads an economic policy that is favourable to them. The employed demand high minimum wages, while capitalists demand high profits. Both groups demand the restrictions on the degree of economy openness. In a closed economy, higher market minimum wages and higher profits are usually connected with higher prices for home consumers, and this is not easy when those consumers are free to buy the substitutes in a form of imported goods. Thus, incomes in an economy may be created by protection and later divided among the employees of the regulated sector and the capitalists, although sometimes the government itself takes a part of those incomes [Banerji, Ghanem 1997].

A government conducting an economic policy takes into account a number of factors. Firstly, it has to decide the degree of obtaining the resources, that is, how much it wants to obtain from those resources. Hence the importance of investments and of future economic growth, and also of defining the possibilities for keeping the power it is currently holding. Secondly, the government should define the scale of

support from each of the pressure groups that can influence the situation. The position and importance of each group for the development of political processes should be considered. For example, in the country where the regulated labour market is divided, and politically weak, only capitalists may have a deciding voice in political processes. And the contrary also happens in the societies where the labour market is organized. It may play an important role in mobilising voters.

6. Different types of authoritarian regimes

An interesting question is, which authoritarian regimes are most politically liberal? Among the authoritarian regime types often identified in the literature, multiparty, and to a lesser extent single-party, regimes will tend to have the largest selectorates. Therefore it is argued that multiparty and single-party authoritarian regimes will have more open trade policies than other authoritarian regime types, having other things equal. More specifically in the Wright–Geddes data [Wright 2008a; 2008b; Geddes 1999], the coding is divided into four categories: single-party, military, monarchist, and personal regimes [Hankla, Kuthy 2013]. In the case of using these data, it can be expected that single party regimes will tend to have more liberal trade policies than other authoritarian regime types. For the test using the Hadenius and Teorell data [Hadenius, Teorell 2007], it can be expected that multiparty regimes will tend to have more liberal trade policies in comparison with any other four regime types (single-party, military, monarchy, and personal regimes) [Hankla, Kuthy 2013].

The second component of institutionalization argument is that regime stability encourages free trade policies in authoritarian systems. More institutionalized autocratic regimes are better able to co-opt dissent and should therefore tend to enjoy longer and more stable tenures. As a regime's stability increases, the time horizons, in turn produce powerful incentives to enact policies that will benefit the country's economy in the long run rather than just shore up support for the leadership in the immediate future. As Olson [1986] has argued even kleptocratic dictators have good reason to maintain the health of their national economies, if only to provide sources of future loot. By contrast, authoritarian leaders sitting atop unstable regimes and fearing removal will not be thinking about the long-term future. Instead their focus will be providing immediate benefits to their supporters in order to remain in power. As a consequence, the leaders of more stable autocratic regimes will be more likely to provide the public good of free trade, while those whose hold on power is precarious will tend to rely on particularistic goods such as protectionism to keep their winning coalition intact [Hankla, Kuthy 2013].

This argument follows the logic presented by Hankla [2006] on time horizons and trade policy decisions in democracies, expect that it concerned here authoritarian stability rather than electoral volatility. It is also similar to the argument developed by Wright [2008b] linking long time horizons in authoritarian regimes to the

effectiveness of foreign aid (a rare piece of research exploring the policy implications of regime stability under dictatorship). Indeed, the prospects for stability to matter are perhaps greater in authoritarian regimes than in democracies, because for ruling groups in the regimes, losing power often results in death or imprisonment. Therefore, the pressure for protectionism in an attempt to gain short-term support in new unstable regimes is likely to be even greater for authoritarian governments than for those in a democracy. Additionally, truly stable authoritarian regimes tend to have individual leaders with very long time horizons (far beyond those of stable democratic leaders), providing them with stronger incentives to choose policies, like free trade, that may contribute to the long-run economic growth [Hankla, Kuthy 2013].

Seeking to understand trade policymaking in authoritarian regimes is all the more pressing because so few others have spent time on the issue. It is worth taking a moment, however, to consider two rare articles that touch on trade policymaking under autocracy. Frye and Mansfield [2003] argue that regime type is not as important an indicator of trade openness as the number of veto players with influence over policy change [Hankla, Kuthy 2013]. They find that in postcommunist East-Central Europe, both democracies and autocracies with more veto players also enjoyed freer trade. This link, they believe, is a product of incorporating a wider variety of voices into policymaking, thereby reducing the ability of governments to depend on patronage to stay in power [Hankla, Kuthy 2013]. While Frye and Mansfield make an important contribution to understanding of how trade policy is made under autocracy, they focus their attention only on postcommunist East-Central Europe and they do not address the role of regime stability [Hankla, Kuthy 2013].

It is important to underline that authoritarian regimes do not behave similarly to one another with regard to their trade policies and that it is a mistake to consider such regimes as identical [Hankla, Kuthy 2013]. Using the Hadenius and Teorell data [Hadenius, Teorell 2007] shows that multiparty regimes have significantly lower levels of trade protectionism than single-party autocracies, monarchies, non party regimes, and military juntas. As a robustness check, it also shows significant support for Wright–Geddes data [Wright 2008a; 2008b; Geddes 1999]. In addition it shows evidence using both the Hadenius and Teorell and Wright–Geddes for a conclusion that more stable regimes will, on average, have more liberal trade policies. The effect of individual leader duration appears weaker, but there is some limited evidence of its importance [Hankla, Kuthy 2013].

Scholar understanding of the behavior of authoritarian regimes will need to be tied closely to an examination of their institution and institutionalization. Perhaps the most fruitful arena for future research will be to focus on the specific preferences of selectorates composition and policy outcome [Pepinsky 2008]. Such research could answer the question how different formal institutions in autocratic system mediate these preferences in the formation of policy. It could also shed light on the types

of selectorates likely to exist in different types of authoritarian regimes. A deeper examination of these questions can extend the knowledge of how autocratic institutions mediate social and elite preferences in the development of policy in a wide variety of areas [Hankla, Kuthy 2013].

7. The level of protectionistic pressures

The above arguments show that the policy is defined by political factors (including the type of the government and the burdens resulting from obligations towards employees and capitalists), and by economical factors (wages, prices, the structure of production and consumption). On the basis of the present discussion, we can present two equations, one pertaining to the level of protection, and the second pertaining to the national economy and deformation of wages.

$$1) \quad \pi = f(e, l, k, R)$$

$$2) \quad \varphi = f_1(\pi, e, l, k, R)$$

The level of protection (π) depends on the economic parameters (e), a relative political importance of urbanised employees and capitalists (l and k , respectively), and on the type of the government (R). Deformation of wages is, on the other hand, the function of π and of e, l, k and R . In case of a small economy, economic parameters that can influence π and φ include flexible consumer and producer prices, demand flexibility, wages and the demand for labour force, and also the price of goods on an international market.

One can expect, *a priori*, that the growth of π is dependant on l and k . If interest groups become stronger, the pressure to form incomes based on protectionism may become stronger. The influence of R , that is, the influence of political authoritarianism on the level of protectionism, that is, π , depends on the fact whether the opinion, that the level of protectionism depends on the effects of democratisation, is correct. It is also thought that the increase of the deformation of wages depends on π and l , while its decrease depends on k . As long as the incomes are obtained from trade protections, those incomes can be handed over to urbanised employees. An important problem in case of urbanised labour force as an interest group with growing strength is the fact that urbanised employees may gain a big share in the division of incomes but the growth of political importance of the capitalists may cause that the shared incomes, handed over to the labour force in regulated sectors of economy will become smaller [Banerji, Ghanem 1997].

There is no doubt that it is easier for wealthy rather than poor societies to choose democracy [Helliwel 1992]. Since those wealthier societies at the same time have a tendency to a bigger openness, the direction of cause-result events may run from the openness of society to the political system, and not, as was suggested earlier, in the opposite direction. The research shows also that the level of education plays an important role in this respect. The countries with a higher level of education of labour force are more open.

On the basis of the earlier considerations, one can come to the conclusion that authoritarian systems have a tendency towards a broader application of protectionism than democratic systems, and that, in turn, the trade restrictions accompany significant deformations of wages on the labour market. This opinion may be justified on the basis of the observations of the situation in a number of countries.

Freedom of association is one of the elements of good management and the necessary condition for development. The authoritarian governments do not respect, however, the freedom of association, which is connected with the policy of trade restrictions and with the deformations on the labour markets. One cannot state, however, that an improper or ineffective policy on the labour market belongs exclusively to authoritarian regimes or that authoritarianism automatically generates this kind of policy. There is a number of examples of authoritarian countries which do not conduct policies of that kind. The works of such authors as Fields or Freeman show that the repressions against the labour force are not necessary, if one wants to achieve a required economic growth [Fields 1994; see also Freeman 1993].

Finally, it should be pointed out that there exists a close relation between democracy and the economic growth. There are well known examples of open societies that stimulate the economic growth. It is true mainly in case of highly developed and strongly urbanised countries. In the countries with a developed democracy, the pressure groups have a bigger opportunity for acting. The research shows that the presence of trade unions helps to accelerate the economic reforms [Devarajan et al. 1997]. The benefits resulting from the liberalisation of the international trade are bigger when trade unions exist in the sector of the economy under protection. The growth of import abilities leads to the decrease of wage pressures, and when trade unions agree to that, such a situation allows for a better allocation of labour force in the economy. This is true both in the case of active and passive trade unions, although the effects are better in case of active trade unions.

Trade unions active on an urbanised labour market had a significant influence on the decisions of governments, in the course of multilateral trade negotiations within WTO. It was especially evident in the negotiations on lowering customs duties and non-tariff measures in steel, shipbuilding, textile and clothing industries, and in coal mining. In the so-called "sensitive" industries, which, for example, in the European Union were under special trade protection, the position of trade unions was very strong.

8. Bilateral tendencies in foreign trade policy

The tendencies in international trade development can create changes in domestic markets, placing pressure on political actors to obtain aid from the government. There are also groups which want to coordinate activities and change foreign trade policy. Countries provide the justification for protection of the internal single market to respond to global competition. It is important to underline that essentially the

government appears to supply protection for affected parties; yet, the overall impact on consumers, producers, and foreign competition is negligible [Thies, Porche 2007]. Significant government ownership of the productive resources of a country has a negative effect on trade liberalisation, while fragmentation of decision-making authority, expressed as fragmentation within the government and pluralism in society, has a positive impact on the liberalization of trade policy [Kennedy 2007].

In the area of foreign-policy the analysis has focused on “three i’s”: interest groups, international structure, and ideas [Kennedy 2007]. In the interests groups literature, government policy is viewed as the outcome of competition between groups for trade policies that benefit their industry [Nau 1989; Milner 1995; Milner, Yoffie 1989; Schattschneider 1935]. International structure suggests that freer trade was a reflection on U.S. interests and its hegemonic status after World War II, while a decline in free trade is a reflection of the U.S.’s hegemonic decline [Krasner 1976]. The literature on ideas suggests that policy beliefs are reflected in laws and institutions. These laws and institutions, in turn, carry a type of inertia that continues to influence policy outcomes long after changes in international and internal structure would predict policy change [Goldstein 1989; 1995]. In contrast to these explanations government interests in the economy and in maintaining stability also play a large role in trade policy [Kennedy 2007].

At one end, a multilateral forum like World Trade Organisation (WTO) with near universal membership offers the maximization of gains from trade and reduced transaction costs. However, a single state cannot expect to have much control over trade partners or liberalisation agendas at the multilateral level. At the other end, a bilateral FTA often yields very small gains from trade and usually increases transaction costs by producing idiosyncratic sets of rules. However, at the same time, a large state can acquire a high level of control in terms of partners, issues and agenda selection, and sectoral exclusions or inclusions based on domestic political needs [Pekkanen et al. 2007]. One can contend that the industrialized aggregate economic gains are in the interest of national welfare (largest in multilateral forums) or, seeking control over rules, in line with political interests (greatest in bilateral forums).

It is important to underline that the liberalizing rules on agriculture, and other less competitive sectors, are no longer an acceptable political price for the economic gains bundled across sectors. Yet, this sort of vague statement fosters uncertainty for domestic actors at home in uncompetitive sectors like agriculture and in several cases like for example in the European Union and Japan trade officials need to show that they have more concrete control for political reasons – an element more credible in a bilateral setting than a multilateral one [Pekkanen et al. 2007]. Leading investor states negotiated also a web of bilateral investment treaties (BITs) [Radice 2015]. This situation may also indicate the departure from globalisation to the mercantilist tendencies in the foreign trade policy.

As the economic growth resumed in 2009, it was the so called emerging economies that recovered far more quickly, and it has become a cliché that the BRIC economies (Brazil, Russia, India and in particular China), were driving a recovery that, at the level of aggregate global production and trade, was remarkably robust. Even if some of the bubble markets around the world remained deflated (US and most European housing most notably), once short-term speculative forces are taken into account, the rising prices of food and industrial commodities reflected that recovery [Radice 2015]. This was a resumption of a decade-long growth trend in Africa as well as Asia and Latin America. The apparent return to slower global growth and renewed financial uncertainties has not reversed the shift in the relative dynamism of North and South [Radice 2015].

9. Results

Trade liberalization has a special positive significance in the global context. However, the international trade policy is strongly affected by the force and trends of the world economy development. The changes are evident in the growing importance of international trade to national economies and to domestic groups within those economies, in the closer linkages between trade and other international issues. In this context it has to be emphasized that on a theoretical level, understanding the choice of trade policies between liberalism and protectionism in countries is very important.

A question is how we can recognize the type of power and the type of rule? First of all, we should investigate what level of resources a given government is going to achieve. If an authoritarian government is more or less corrupted than a democratic one, it will be creating an income, to a bigger or lesser degree, through protectionism. It will also appropriate some part of that income. Secondly, a given type of government may remain under the influence of different pressure groups. If an authoritarian government is trying, to some extent, to subordinate special pressure groups including the regulated labour sector, it will be, to some extent, generating incomes through protection and it will be turning over some part of them to those special pressure groups.

It should be pointed out that there exists a close relation between democracy and the economic growth. There are well known examples of open societies that stimulate the economic growth. In countries with a developed democracy, the pressure groups have a bigger opportunity for acting. The research shows that the presence of trade unions helps to accelerate the economic reforms. The benefits resulting from the liberalization of the international trade are bigger when trade unions exist in the sector of the economy under protection. The growth of import abilities leads to the decrease of wage pressures, and when trade unions agree to that, such a situation allows for a better allocation of labour force in the economy.

This is true both in the case of active and passive trade unions, although the effects are better in case of active trade unions.

Trade policy takes on additional importance in the economic battle of the valiant liberal reformers, fighting against self-dealing rent seekers profiting from the inconsistencies of the transition economy. Many of the clientelist policies that shelter rent seekers are impossible to maintain in the face of competition in the international economy. On the other hand, high tariff walls, export licensing, and artificial exchange rates provide numerous sources of rents for business people who are trying to promote their own loyalties. The reduction or the elimination of trade restrictions stimulates significantly the growth of the world trade exchange, while the foreign trade, in turn, is an important factor of the economic growth of individual countries.

Scholar understanding of the behavior of authoritarian regimes will need to be tied closely to an examination of their institution and institutionalization. Perhaps the most fruitful arena for future research will be to focus on the specific preferences of selectorates composition and policy outcome. Such research could answer the question of how different formal institutions in autocratic system mediate these preferences in the formation of policy. It could also shed light on the types of selectorates likely to exist in different types of authoritarian regimes. A deeper examination of these questions can extend the knowledge of how autocratic institutions mediate social and elite preferences in the development of policy in a wide variety of areas.

Further trade liberalisation and improved framework policies would increase trade and promote growth. It has to be emphasized that openness to trade is associated with higher incomes and growth and there is a need for new approaches to trade cooperation in the light of the forces that are currently re-shaping international business. The key of trade development within the broader socio-economic context is especially the rise of global supply chains, the general shift of trade power away from the West towards Asia. A major factor, was the even more remarkable transformation of China, as market reforms opened up its economy to foreign trade and investment, and unleashed an unprecedented growth dynamic that has continued, with only minor slowdowns. In the new circumstances for the development of the global economy and the global trade, the People's Republic of China seems to be a production superpower, able to change the world trade. In many areas it possesses comparative advantages. China may continue its development to specialize in electronics and increasingly in services. With or without further trade agreements, services will be more traded and trade policies will have to adjust to alterations in the organization of global value change. The question raised is whether the West will see China's rise as an opportunity for cooperation or for conflict. Economic growth is generally more preferable in China to military and extensive expansion. With new investments, the country can transform its position through industrial expansion at home and sustain it through international trade. China is especially sensitive to

the advantages of intensive growth and will not wish to disrupt essential economic arrangements that have been crucial to its success.

The integration of China and India into the world trade system may increase aggregate welfare in the rest of the world by 0.4%, but the factor incomes in individual sectors may fall or rise by more than 5%. Dealing with relative wage pressures and needs for structural adjustment due to rising trade integration will thus be important. The benefits from trade liberalization are transmitted through several channels like shifting production from low to high locations, relocation of factors of production towards sectors and firms with high productivity and rising incomes due to an increase in market size that supports more specialisation, faster technology diffusion and stronger incentives to invest in “non-rival” assets. The former two effects include mostly static international trade in goods, services and factors of production, while the latter entails dynamic growth effects. Significant static and dynamic efficiency gains could be reaped through further multilateral trade liberalization while global welfare gains from regional agreements are much more limited due to trade diversion. While fostering multilateral trade liberalization has recently proved difficult and regional arrangements have been frequent, the former should remain priority due to larger benefits and despite the practical challenges of seeing through such reforms in a multipolar world. These results are based on the “Partial multilateral” trade liberalization scenario which depends on multilateral cuts in tariffs (50%) and transaction cost (25%) relative to the baseline.

It is important to underline that also fiscal consolidation will require major efforts in several countries. Fiscal pressures will build up in reverse areas over coming decades unless extensive fiscal reforms are pursued. Asia growth could be curbed further by damages from environmental degradation due *inter alia* to climate changes, which are likely to affect these countries earlier than expected. By 2060, environmental damages in South and South-East Asia may lower GDP by more than 5% compared to the central scenario.

China’s growth is good for the world economy with significant terms of trade gains being experienced in its trading partners, reduction in poverty and increases in living standards. Chinese economic growth has been good for the Chinese with massive reductions in poverty and rising living standards. Moreover, China is now a very large regional power and the preceding discussion has provided evidence that it is having a very large growth effect on its neighboring trade partners. If China continues its path of stable and effective, innovative growth there is every reason export will continue and benefits for its trade partners expand.

Rapid and now effective economic growth appears to have spread from China and other East/South Asian countries to Latin America and Africa, and, while much of the old capitalist heartland is mired in economic stagnation and fiscal crisis, the ‘emerging economies’ face an investment glut. Current trends in the world economy and global politics provide evidence that the Global South has now arrived at ‘normal’ capitalism at last, bringing with it new patterns of uneven development, inequality

and injustice. Its newly confident elites, now fully engaged in global circuits of trade, investment and finance, and in global governance too, appear to have left behind their previous colonial role. It is clear that the Global South, or in elite-speak the 'emerging economies', have suffered less and recovered more quickly than the advanced capitalist heartland. In addition, it now seems that the patterns of political impact – not in the sense of immediate crisis measures but of long-term 'tectonic' shifts – may be equally significant and unexpected. While political elites in the USA, the European Union and Japan struggle to find paths of recovery that are acceptable to their confused and divided electorates, remarkable changes of various kinds are observable across Asia, Africa and Latin America.

10. Conclusions

Both structural and micro-political economy analyses of foreign trade policy have missed the impact of changing ideas about protectionism and relatively unchanging institutions designed to handle domestic producer complaints. The political consensus on the supply of trade policy and protectionism change over time. In the economic depression tariffs revenues and protectionism play important roles in the politics of political parties. At the same time in the market economy even during the economic depression one can observe a little support for liberal foreign trade policy. In a global financial and economic crisis also protectionist tendencies which accompany economic recession start to prevail. It is necessary to emphasize that in the foreign trade policy there are not pure liberalism and pure protectionism. In the high economic growth there is a tendency to liberalism in the foreign trade policy and in the economic crisis there is a tendency to protectionism.

The foreign trade policy plays a key role in the maintenance of both economic and political liberalization. The prominence of rent seeking in a country can have a far-reaching implication for its economic development. Especially in underdeveloped or transitional countries, rent seeking takes scarce resource out of productive areas in the economy, using them to promote and/or perpetuate further rents. However it should be stressed that free trade in itself is not responsible for the economic growth, but more significant are the determining macroeconomic stability and increasing investment.

References

- Alt J.E., Gilligan M.J., 1994, *The political economy of trading states*, Journal of Political Philosophy, no. 2, pp.165-192.
- Alt J.E., Frieden J., Gilligan M.J., Rodrik D., Rogowski R., 1996, *The political economy of international trade: Enduring puzzles and an agenda for inquiry*, Comparative Political Studies, no. 29, pp. 689-717.

- Anderson K., 1995, *Lobbying incentives and the pattern of protection in rich and poor countries*, Economic Development and Cultural Change, no. 43, pp. 401-423.
- Anderson K., 1997, *Environmental Standards and International Trade*, [in:] *Annual World Bank Conference on Development Economics 1996*, M. Bruno, B. Pleskovic (eds), The World Bank, Washington D.C., January, p. 319.
- Aslund A., 2002, *Building Capitalism: The Transformation of the Former Soviet Bloc*, Cambridge University Press, Cambridge.
- Banerji A., Ghanem H., 1997, *Does the Type of Political Regime Matter for Trade and Labour Market Policies?*, The World Bank Economic Review, Volume 11, January, no. 1, p. 173.
- Bhagwati J.N., Srinivisan T.N., 1996, *Trade and the Environment: Does Environmental Diversity Detract from the Case for Free Trade?*, [in:] *Fair Trade and Harmonization: Prerequisites for Free Trade?*, J.N. Bhagwati, R.E. Hudec (eds), MIT Press, Cambridge, Mass.
- Busch M.L., Reinhard E., 1999, *Industrial locations and protection: The political and economic geography of U.S. nontariff barriers*, American Journal of Political Science, no. 43, pp. 1028-1050.
- Busch M.L., Reinhard E., 2000, *Geography, international trade, and political mobilization in U.S. industries*, American Journal of Political Science, no. 44, pp. 703-719.
- Caughlin C.C., Chrystal K.A., Wood G.E., 1995, *Protectionist Trade Policies: A Survey of Theory, Evidence, and Rationale*, [in:] *International Political Economy: Perspectives on Global Power and Wealth*, J.A. Frieden, D.A. Lake (eds), St Martin,s Press, New York.
- Coleman W.D., 1998, *From protected development to market liberalism. Paradigm change in agriculture*, Journal of European Public Policy, no. 5, pp. 632-651.
- Devarajan S., Ghanem H., Thierfelder K. 1997, *Economic Reform and Labor Unions: A General Equilibrium Analysis Applied to Bangladesh and Indonesia*. "The World Bank Economic Review", Volume 11, January, no. 1, pp. 145-170
- Fields G. 1994, *Changing Labor Market Conditions and Economic Development in Hong Kong, Singapore and Taiwan*, Cornell University, Ithaca, New York, Processed
- Fordham B.O., Kleinberg K.B., 2011, *Facts about China: Economy&GDP 2011-2012*, <http://www.china-mike.com/facts-about-china/economy-investment-business-statistics/>, 11.10.2013
- Freeman R. 1993, *Does Suppression of Labor Contribute to Economic Success? Labor Relations and Markets in East Asia*. Harvard University, Cambridge, Mass. and London School of Economics, London. Processed
- Frey B.S., 1984, *The public choice view of international political economy*, International Organization, no. 38, pp. 199-223.
- Frey B.S., Pommerehne W., Schneider F., Gilbert G., 1984, *Consensus and disconsensus among economists: An empirical inquiry*, American Economic Review, no. 74, pp. 986-994.
- Frieden J., 1991, *Debt, Development and Democracy*, Princeton University Press, Princeton.
- Frieden J., Rogowski R., 1996, *The Impact of International Economy on National Policies: An Intellectual Overview*, [in:] *Internationalization and Domestic Politics*, R.O. Keohane, H.V. Milner (eds), Cambridge University Press, Cambridge.
- Frye T., Mansfield E.D., 2003, *Fragmenting Protection. The Political Economy of Trade Policy in the Post-Communist World*, British Journal of Political Science, no. 33 (04), pp. 635-657
- Geddes B., 1999, *What do we Know about Democratization after Twenty Years?*, Annual Review of Political Science, Vol. 2, pp.115-144.
- Goldstein J., 1989, *The Impact of Ideas on Trade Policy: The Origins of U.S. Agricultural and Manufacturing Policies*. "International Organization" no. 43, pp. 31-71.
- Goldstein, J., 1995, *Ideas, Institutions and American Trade Policy*. [in:] J.A. Frieden and D.A.Lake (eds.), *International Political Economy: Perspectives on Global Power and Wealth*. 3rd edition, New York: St Martin,s Press.
- Grossman G., Helpman E., 1994, *Protection for sale*, American Economic Review, no. 84 (4).

- Hadenius A., Teorell J., 2007, *Pathways from authoritarianism*, *Journal of Democracy*, no. 18 (1), pp. 145-156.
- Hankla Ch.R., 2006, *Party strength and international trade: A cross national analysis*, *Comparative Political Studies*, no. 39 (9), pp. 1133-1156.
- Hankla Ch.R., Kuthy D., 2013, *Economic liberalism in illiberal regimes authoritarian variation and the political economy of trade*, *International Studies Quarterly*, A Journal of the International Studies Association, Volume 57 (3), September, pp. 492-504.
- Helliwel J.F., 1992, *Empirical Linkages between Democracy and Economic Growth*, Working Paper no. 4066, National Bureau of Economic Research, Cambridge, Mass, Processed.
- Johnson A., Kowalski P., Olaberria E., Pellegrino D., 2014, *What explains the volumen and competition for trade. Industrial evidence from a panel of countries*, OECD Economic Department Working Papers, no 1128, OECD Publishing, Paris.
- Johnsson A., Olaberria E., 2014a, *Long-term patterns of specialisation and trade*, OECD Economic Department Working Papers, forthcoming OECD Publishing, Paris.
- Johnson A. Olaberria E., 2014b, *New evidence on the detrimnants of industrial specialisation*, OECD Economic Department Working Papers, no 1128, OECD Publishing, Paris.
- Kennedy, R., 2007, *Fragments of Economic Accountability and Trade Policy*. "Foreign Policy Analysis" no. 3, pp. 145-169.
- Kleinberg K.B., Fordham B.O., 2010, *Trade and foreign policy attitudes*, *Journal of Conflict Resolution*, no. 54 (5), pp. 687-914.
- Kleinberg K.B., Fordham B.O., 2013, *The domestic politics of trade and conflict*, *International Studies Quarterly*, A Journal of the International Studies Association, volume 57(3), September, pp. 605-619.
- Krasner, S. D., 1976, *State Power and the Structure of International Trade*. "World Politics" no. 28, pp. 317-347.
- Magee S.P., Brock W.A., Young L., 1989, *Black Hole Tariffs and Endogenous Policy Theory. Political Economy in General Equilibrium*, Cambridge University Press, Cambridge.
- McGillivray F., 1997, *Party discipline as a determinant of the endogenous formation of tariffs*, *American Journal of Political Science*, no. 41, pp. 584-607.
- Milner H.V., 1995, *Resisting the Protectionism Temptation: Industry and the Making of Trade Policy in France and the United States during the 1970s*, [in:] *International Political Economy: Perspectives on Global Power and Wealth*, J.A. Frieden, D.A. Lake (eds), St Martin's Press, New York.
- Milner H.V., Yoffie D.B., 1989, *Between free trade and protectionism: Strategic trade policy and a theory of corporate trade demands*, *International Organization*, no. 43, pp. 239-272.
- Murphy K.M., Shleifer A., Vishny R.W., 1993, *Why is rent-seeking so costly to growth?*, *The American Economic Review*, no. 83, pp. 409-414.
- Nau H.R., 1989, *Domestic Trade Politics and the Uruguay Round: An Overview*, [in:] *Domestic Trade Politics and the Uruguay Round*. H.R. Nau (eds), Columbia University Press, New York.
- Nelson D., 1988, *Endogenous tariff theory: A critical review*, *American Journal of Political Science*, no. 32, pp. 796-837.
- Nielson D.L., 2003, *Supplying trade reform: Political institutions and liberalization in middle-income presidential democracies*, *American Journal of Political Science*, no. 47, pp. 470-491.
- Olson M., 1985, *Space, agriculture and organization*, *American Journal of Agricultural Economics*, no. 67, pp. 928-937.
- Olson M., 1986, *The Exploitation and Subsidization of Agriculture in Developing and Developed Countries*, [in:] *Agriculture in a Turbulent World Economy*, A. Maunder, U. Renborg(eds), Gower, Aldershot.
- Pekkanen S.M., Solis M., Katada S.N., 2007, *Trading gains for control: International forums and Japanese economic diplomacy*, *International Studies Quarterly*, no. 51, pp. 945-970.

- Pepinsky T.B., 2008, *Capital mobility and coalitional politics: Authoritarian regimes and adjustment in Southeast Asia*, *World Politics*, no. 60, pp. 438-474.
- Radice H., 2015, *Global Capitalism. Selected Essays*, Routledge, Tylor & Francis Group, London, New York.
- Rodrik D., 1995, *Political Economy of Trade Policy*, [in:] *Handbook of International Economics*, vol. 3, G. Grossman, K. Rogoff (eds), Elsevier Science, Amsterdam.
- Rogowski R., 1987a, *Political cleavages and changing exposures to trade*, *American Political Science Review*, no. 81, pp. 1121-1137.
- Rogowski R., 1987b, *Trade and the variety of democratic institutions*, *International Organization*, no. 41, pp. 203-222.
- Rogowski R., 1989, *Commerce and Coalitions*, Princeton University Press, Princeton.
- Schattschneider E.E., 1935, *Politics, Pressure and the Tariff*. New York: Prentice Hall
- Sheingate A.D., 2001, *The Rise of Agricultural Welfare State: Institutions and Interests Group Power in the United States, France, and Japan*, Princeton University Press, Princeton.
- Thies C.G., Porche S., 2007, *Crawfish tails: A curious tale of foreign trade policy making*, *Foreign Policy Analysis*, no. 3, pp. 171-187.
- Wright J., 2008a, *Do authoritarian institutions constrain? How legislatures affect economic growth and investment*, *American Journal of Political Science*, no. 52 (2), pp. 322-343.
- Wright J., 2008b, *Insurance or investment? How authoritarian time horizons impact foreign aid effectiveness*, *Comparative Political Studies*, no. 41 (7), pp. 971-1000.