

INTRODUCTION

The last few decades witnessed the intensification of globalisation processes. The world is becoming one big economic organism. Particular countries have realised that globalisation is an irreversible trend in the development of international order and, hence, globalisation cannot be chosen or rejected. They have also come to realise that globalisation leads to restricting the role played by the State in controlling its economic potential or in controlling the instruments of its economic and social policy. It is synonymous with a growing impact exerted by transnational corporations and economic groupings on national economies. This impact can be seen, for example, in the emergence of new development paradigms. There is sufficient evidence confirming that it is the international market and not the state policy, which is becoming the main source of economic development. This market forces out a rational allocation of resources, whereas the policy pursued by particular states is frequently detached from such rationality.

Such positive impact exerted by the market can take place only when a given economy is opened to the external world and when the above mentioned globalisation processes are occurring in it. These were globalisation processes, which caused that major social and economic transformations were started in many countries characterised by an average or low levels of economic development. It concerns not only the countries of Central and Eastern Europe but also a big number of countries in Latin America and some Asian or African countries. Generally speaking, these transformations consist in progressive, broadly understood democratisation processes, in the opening of national economies, strengthening of export-oriented strategies and so on.

It could be said in the light of earlier experience that globalisation is accompanied by technical, technological and civilisation progress. Absorbing this progress can be an opportunity for raising the competitiveness of frequently retarded national economies, as it can pave the way for improved productivity and quality or, for example, for reduction of production costs. This creates an opportunity for involving these countries in the market game. It can be hoped in a more distant perspective that the general level of education and skills of

employees will rise, which will be more generally synonymous with civilisation progress. Only then will there appear prerequisites for a real improvement of citizens' living standards.

The past experience shows that in order to attain this goal it is necessary to create conditions for a free operation of market forces. The most important role in creating such conditions should be played by the State. Its reasonable policy should ensure transparent principles of the market game, creation of an appropriate economic and legal infrastructure etc. The State should create a clear system of public finance, support development of small and medium-sized enterprises, promote adjustment measures in transition to a rapid development path. A special attention should be focussed by the State on building appropriate business-support institutions, which will have a major impact on acceleration of economic development. These institutions are not accidentally considered to be the basic economic development factor in the modern economy.

However, it should be remembered when supporting globalisation processes that globalisation does not produce favourable results everywhere or that it produces not only favourable results. An example here could be the former German Democratic Republic, where a rapid growth of labour productivity occurred at the cost of high unemployment. There is no doubt that these are the richest countries which derive the biggest benefits from globalisation. Simultaneously, its more serious effects can be observed in the poorest countries. These countries have meagre opportunities to get out of the underdevelopment trap on their own. Moreover, the international community does not have a conception of effective assistance for these countries so far. It results in a steadily growing gap between these countries. Globalisation most frequently yields positive results for countries characterised by an average level of economic development, which making desirable efforts can absorb technical, technological or organisational progress favourable for them. Foreign direct investment will facilitate this process.

Advantageous effects produced by globalisation for countries at the average or low level of economic development usually require considerable efforts and major renunciations. Namely, these countries have to carry out profound reforms, which are accompanied by such negative phenomena or hardships for citizens as: high unemployment, painful structural transformations and so on. Such phenomena can persist even in the longer term. A question can arise in the light of these hardships or threats whether globalisation represents the best solution for this group of countries. According to the author, this question should be answered affirmatively, because no reasonable alternative has appeared for them so far irrespective of varying conditions of economic

development, membership in different integration groupings and so on. A lot of evidence indicates that it is worth incurring the costs connected with globalisation processes and tapping the opportunity for accelerating development joining the countries which have been on the rapid path of economic development for a long time.

Many problems mentioned here are discussed in this work, which has been prepared owing to assistance provided by the Congress of Political Economists (COPE) International – organisation guided in its activity by such principles as freedom, equality and social justice. The ideas of economic democracy, economic freedom or the opening of national economies are particularly close to us. We share Milton Friedman's idea that economic freedom leads to a greater prosperity. This thesis has been verified positively in recent years.

The work is composed of two parts. In its first part entitled "Globalisation and Emerging Markets" the international team of authors presents articles dealing with particular aspects of globalisation and economic and political problems faced by different countries. The second part entitled "Emerging Markets in the European Union's Countries" is focussed on various aspects of transformation processes in Poland and Estonia. The analysis encompasses also different issues concerning the European Union as a whole.

It is our hope that this work will explain many complex problems connected with globalisation and emerging markets connected with it, and that it will be of interest for scientific milieus.

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