

SCIENTIFIC ARTICLES

Economic Theory and History

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POLISH ECONOMIC MIRACLE AS A FACTOR OF THE SOCIALIST SYSTEM OF ECONOMY COLLAPSE

Problem statement. The past quarter of a century since the collapse of the so-called socialist countries camp – a sufficient time period to study the content, prerequisites and aftermath of this general global phenomenon. There are a lot of reasons to mention the illegality of underestimation, even more – the ignorance of the significance and consequences of this systemic diverse phenomena. If we analyze the phenomenon marked only in the countries of Central and Eastern Europe, the most important institutional, economic and political dimensions of the consequences of socialist system self-disintegration in this world region are the following.

1. Unification of the former Federal Republic of Germany (FRG) and the German Democratic Republic (GDR).

2. Restoration of the former (in general) state formations on the territory of the former Socialist Federal Republic of Yugoslavia (SFRY) and the former Czechoslovak Socialist Republic (CSSR).

3. Socioeconomic conversion in Poland, starting at the turn of 80-90'ss and associated with the name of L. Balcerowicz – Deputy Prime Minister and Minister of Finance of the first democratic government – the T. Mazowiecki government ("Balcerowicz Plan"). Their comprehensive character, depth and consequences provide all preconditions to classify these changes as the "Polish economic miracle" not on the journalistic cliché level, but as a strict scientific categorical definition.

In the most general meaning of the "economic miracle" original concept means a policy of accelerated modernization of the economic system of this or that country. With regard to two Germanys' unification and the restoration of the status quo of state formations on the territory of the former SFRY and CSSR, then in these cases the political factor is advocated as determining one. Unlike this, the transformation processes in Poland had (and have) deeper content: both in the institutional and economic values. However, consideration of transformational changes from administrative management to the market, embodied in the Polish economy miracle has not yet become a subject of research.

There is reason to note that this is applied to Poland science (including – in scientific researches of authoritative international Polish diaspora) and for science in other countries.

The objective of the article. Identification of "the Polish economic miracle" concept as a scientific category, its essential features and development of epistemological foundations of the study research of phenomena and processes as reflected in this category and became one of the fundamental factors and the collapse of the socialist economic system.

The base material presentation. According to its general theoretical content the "Polish economic miracle" category represents a set of similar phenomena and processes of the XX century, reflected by other similar categories such as "German economic miracle" (from mid 50's. – till mid 60's.), "Italian economic miracle" and "Japanese economic miracle" (mid 50's. – mid 70's.), "Singapore economic miracle" (mid 60's. – early 90's.), "Chinese economic miracle" (late 70's.– late 2000's.).

To a certain extent there are similar "conversions" in totalitarian regimes in these series: the Stalinist industrialization (1928 – 1932), economic revival of fascist Germany (1933 – 1944), Chilean economic miracle of Pinochet (1974 – 1989). As a result of these "reforms" totalitarian regimes were able to modernize their economic systems. However, non-economic measures and mechanisms made the basis of such kind of "change".

It is emphasized that Poland study of the relevant phenomena and processes has a much greater urgency. For German economic miracle is one of the most prestigious schools of the XX century and modern science – Freiburg marginalist school (to a certain extent – also London and Chicago marginalist schools). Its foundation is prepared by the scientific doctrines W. Eucken, L. fon Mises, F. fon Hayek, L. Erhard. One of the "pillars" of the W. Eucken, German economic miracle, being recognized even before World War II, after its ending was the chief advisor of the military administration

of the American and French zones of occupation in Germany, and later – the first paragraph of Germany government [1]. L. Erhard, one of the authors of a social market economy theory, which is the scientific paradigm of the German economic miracle and who later became the Minister of the economy and the second Chancellor of Germany [2].

The Japanese economic miracle owes its birth not only to marginalism but Keynesianism "Dodge Line" – US program for Japan rebuilding after World War II (named after D. Dodge, the personal representative and friend of President H. Truman). It is necessary to pay tribute to great intellectual the United States landing to implement the "Dodge Line" represented by E. Deming, J. Dzhurana and other scientists and practitioners. There developments have not been evaluated in the United States, but implemented in Japan, they became the essential parts of Japan (Eastern) Management [3-4].

"Father" of Singapore economic miracle (to a certain extent – the economic miracle of the southeastern Dragons: Singapore, South Korea, Hong Kong and Taiwan) became the Singapore Prime Minister Lee Kuan Yew, who made basis for its policy during a few years [5].

According to this background it is quite natural to popularize the ideas of the German economic miracle in the development of marginalist's representatives. The Japanese economic miracle is naturally promoted by representatives of the eastern management, including – the employees of Deming institutions across the Europe. Singapore economic miracle gets an additional confirmation in the upward phase of the economic development of four "south-eastern dragons". However, the Polish economical miracle, despite its deeper profound qualitative transformation of the socio-economic system, both in content and consequences, remains outside the purview of subject researches. Journalistic essays for obvious reasons cannot change the underestimation of the system of analysis importance of this fundamental phenomenon – institutional, economic and political phenomenon of the XX century and new history.

At the same time, we cannot neglect the following.

The first. Any economic phenomenon, as it was predicted for the first time in the history of science by the great Ukrainian scientist M.I. Tuhan-Baranovskiy (who had deep roots (from his mother's side) of one of the well-known noble families of the Polish-Lithuanian Commonwealth – Baranovskiy), following the upward phase of development included in the downward phase [6].

The second. Polish economic miracle has not such strong support as German economic miracle in the face of marginalism or Japanese economic miracle and Singapore economic miracle in the face of the east Management.

The third. L. Balcerowicz like L. Erhard and Lee Kuan Yew, decided to act not according to Schiller:

"The Moor has done his work, the Moor can go!" And quite broadly outlined his vision and evaluation of reforms in Poland [7-8].

However, many aspects of Polish economic miracle remain not highlighted enough: also other important historical personalities did not say a word about it, who even directly and actively were involved in its creation.

First of all, the definition of "Polish economic miracle" concept as a scientific category must be determined. It is a set of cardinal institutional, economic and political phenomena and processes based on the idea of the primacy of personal freedom and the revival of free-market competition and directed to an overcoming the consequences of inefficiency and collapse of the socialist economic system, the regime of communist ideology and the establishment of an upgraded European-based independent democratic state.

In accordance with the goal set, the "Polish economic miracle" category features are classified.

1. The quality content of phenomena and processes, which are reflected in this category – is a system of targeted sibling and related institutional measures, standard and legal acts and economic mechanisms for the transition from a state to a market economy with appropriate changes in the social, ideological and political spheres.

2. The institutional basis background – the primacy of the personal freedom of the individual in all human existence areas.

3. The essential economic background – a market competitive system of management, determined by small and medium-sized businesses, with the presence of effective socially responsible supreme entity – the state.

These essential features are just basic, but they are sufficient enough to form a carcass of "Polish economic miracle" category (On the next study stages they are logically continued).

The epistemological foundations of the study of phenomena and processes, which are reflected in the of "Polish economic miracle" category can be as following (in the framework of an article made we find definite ones).

1. The totality of phenomena and processes which are reflected in this category, started at the turn of 80-90'ss. of XX century, but they have of deep historical roots, going back to the idea of Polish nation self-identification and act as its focused response to the change of country statehood in the partitions of Poland in the XVIII-XIX century and Poland during and at the end of World War II.

2. System Research of "Polish economic miracle" category as well as similar categories in reference to other countries, include the analysis of qualitative characteristics which are reflected by the phenomena and processes of related quality measures.

The defining quality characteristics of the category of "Polish economic miracle" (and similar categories in relation to other countries): definition of the category; the essential features of the phenomena and processes, as reflected in this category and, and forms the essential features; background phenomena and processes, as reflected in this category.

The basis of the instruments of quantitative analysis of phenomena and processes, as reflected in the "Polish economic miracle" category (as in the same category in relation to other country) will be legitimate to lay the following: depth of economic downturn on the previous stage of development; time period that the country will need to achieve the previous pre-crisis level of socio-economic development; quantity dynamic of production (analysis of the socio-economic situation of the country) on the stage of development after the passage of the "bottom" in terms of development.

4. On the basis of the following qualitative characteristics, the beginning of the "economic miracle" is logically to define the adoption of specific program (normative-legislative act, a package of documents etc.), aimed to its explanation. Often these programs are defined as "plan" concept. Then, in the time frame "economic miracle" is the period in the country when it is on the development path, exceeding the average growth of other countries.

Natural, especially under current conditions, fluctuations in the dynamics of economic development show that during the country period being on the positive phase, and it can be recognized as the time lag of "economic miracle". At the same time, the country's entry into the negative trend of economic development would be for one year, which is expressed, for instance, the pace of GDP growth lower than 0%, strongly indicates the end of the "economic miracle."

Extremely important is the analysis of the highlighted institutional and economic foundations of the Polish economic miracle.

Small and medium business as an essential feature of Polish economic miracle have deep roots. There are some backgrounds to mention that small and medium businesses in Poland, as well as all business itself, for a variety of characteristics have a more substantial content. For example, socially responsible business and public-private partnership form the basis of the German economic miracle and the Japanese economic miracle, with perfection in its social and philanthropic activities even in the end of the XIX century, a famous Polish entrepreneur I. Poznanski realized it and who found "weaving capital of Europe" in Lodz.

I. Poznanski's example is not unique, it is actively followed by other employers across Poland until the beginning of World War II. With a help of such examples socially responsible business in Western and Northern Europe in the second half of the XX century was formed.

However, there were huge obstacles in the revival of small and middle-sized business in Poland. This is not only a half-century regime of communist ideology (note: it was in Poland failed to achieve absolute dominance in the public consciousness).

A major deterrent factor of Polish economic miracle, and this is also its phenomenon, was the nature of the national business culture which has developed over the years of the socialist economic system. It is, for example, one of the most sophisticated business culture theories – models of R. Lius, was close to the business culture in Russia and Romania [9].

In this regard, Poland (and L. Balcerowicz) were initially at a disadvantage position compared to Germany, Japan and Singapore.

And for L. Valensa and L. Balcerowicz, after the victory of "Solidarity" in the first parliament elections (1989), and then the presidential elections (1990) rate for small and medium business, apparently was quite obvious, but not so simple.

The phenomenon of the Polish economic miracle lies in the role of the religious factor, as one of the most important institutional framework for its initiation and implementation. The Church in Poland has been an important part of the public consciousness even in times of socialism (unlike many other former socialist countries). If the opposing totalitarian regimes of the XX century divided the Polish nation, the church cemented it.

After the election in 1978 Archbishop and Metropolitan of Krakow Karol Wojtyla became a pope of the Roman Catholic Church – Pope John Paul II, Institute of the Church in Poland in general has become a powerful factor in the determining institutional factor.

These are just some of the divergent institutional prerequisites of "Balzerovich Plan" and Polish economic miracle in general (it is indicative that L. Valensa with great difficulty was able to find a candidate for the head of the economic block in the government of T. Mazowiecki). The "plan" itself, aimed at the restoration of Poland through the introduction of market-based forms of management related to method based on a package of laws designed by L. Balcerowicz team with a help of an international group of consultants. This package of laws had a systemic nature, covering all sectors of the economy. Laws were interconnected and had a rather clear mechanism for its implementation (the "Balcerowicz plan" logically had some modification).

There is reason to believe that decisive things in this package were laws on financial savings in state-owned companies, on banking activity, on taxation of the higher wages and economic activity of foreign investors [7].

The essence of the "Balcerowicz Plan" through the media was shown to all segments of the population. Its first presentation was held on state television in October 1989. In December a package of laws was adopted by the Seim, and the President L. Valensa signed them in

the December, 31, 1990 (some time divisions for the enactment of laws were provided, but there were some of them which were introduced in January, 1, 1991).

The collection of these five facts allows to doubt in a definition of the "Balcerowicz Plan" as "shock therapy" (L. Balcerowicz himself in this situation did not consider the data as inordinate, stressing that the reforms implemented in the Baltic countries were more revolutionary).

Forty-five years of socialism could not pass unnoticed for the public consciousness in Poland. "Balcerowicz Plan" caused not only just rejection for many of citizens, but rejection of every kind (also in the scientific community) [10]. That one kind of mood "fueled" with the deterioration of the situation on the first implementation stages of stabilization measures. Some part of Polish society which is not a critical "tied" to the previous government, still has a negative attitude to L. Balcerowicz transformation.

In accordance with the proposed approach to quantify the phenomena and processes, reflected in "the Polish economic miracle" category, its basic parameters are considered in the following. Inflation level in Poland in 1989 reached 343,8%; in 1990 – 717,8% [11]. The size of foreign banks and government, which especially actively Polish United Workers' Party became to use since the time of E. Herek, was \$ 42,3 billion (64,8% of GDP). Credits which were constantly received from the Soviet Union are not counted here, the highest size of which fell at the end of the 70's - beginning of the 80's. Only in 1980-1981 loans were given to Poland in the amount of \$ 10,35 billion [12]. These figures clearly show the depth of the crisis in Poland at the end of forty-five-years period of economic socialism on one hand, and the starting point of the Polish economic miracle (on this background a negative indicator of GDP growth is shown -7,2% in 1990) on the other hand [12].

According to the depths of the economic, social, political and moral spheres the crisis in Poland at the turn of 80-90'ss. to a certain extent even exceeded the scope of suitable phenomena and processes in Germany and Japan in the mid-50's.

The first signs of social and economic stabilization due to "Balcerowicz Plan" began to appear by the end of 1990 – beginning of 1991. However, generally the duration of the recovery period was about two years. For this indicator, the Polish economic miracle is not inferior to the economic miracle of Germany and Japan. General dynamics socio-economic development in Poland after the implementation of the "Balcerowicz Plan" is following. The pace of GDP growth is amounted from 1,6% in 2009 to 7,1% in 1997. Similarly, the growth rate index of industrial producing "behaved": from 0% in 1998, 2000 and 2002 to 10,2% in 2006 [12].

However, in general, these indicators concede to similar indexes in Japan and China [13].

Thus, under certain fluctuations in economic development, which is the global trends over time, Poland over the past 25 years has never allowed the negative indicators on an annualized basis (including the global economic crisis of 2008-2009; it is the only country of all countries of the European Union). Singapore at the general positive trend for the same 25 years, could not avoid several obvious landslides, expressed in the negative dynamics of GDP (in 2001, for example, 2%); rising inflation over 5% and public debt to 118,2% of GDP (2011) [14].

However, the overall positive dynamics of development gives no reason to underestimate certain negative phenomena in social-economic situation of modern Poland.

They concern mainly two aspects: country debt and unemployment. Thus, public debt in 2015 was 143.4% of GDP (for the last three years in the dynamics of this indicator downward trend appeared) [12]. The highest unemployment rate in 25 years, which was observed in 2002-2004 (19,9-19,0 %) [12], with a gradual decrease, according to preliminary results of 2016, dropped below the psychologically painful mark 10%. In 2012-2014 such a negative demographic and social trends as a population reduce of the country were observed.

If the "lower" point of the economic development of the socialist era (1989 – 1990) "project" to the corresponding results of 2015, the comparison looks like this. By 1990 nominal GDP increased in 7,75-fold and; GDP size of the parity of purchasing power grew in 4,5-fold; GDP growth dynamic changed from negative -7,2% into positive 3,5% (in 2016 – 4,3%.); from inflation of 717,8% to deflation of 0,9 %. An average salary exceeding \$ 1,000 US increased more than 3000-fold. Democratic Poland made write-off and/or paid three-quarters of the debt on loans from Western banks and governments, which were received during the years of socialism. The volume of gold and currency reserves reached 80 billion USA dollars [12]; they reached 2100 USA dollars per one Pole.

A number of such characteristics of the Polish economic miracle, in its socio-economic impact can be compared to the effect achieved by the German economic miracle and the Chinese economic miracle.

Besides this, there is another effect (it has not been evaluated yet). Systems of transformations defined by the Polish economic miracle, formed in the society social demand for the relevant system reforms. Several changing governments in the country, which belong to different political sides for a sufficiently long period of time in 90's – 2000's, they were able to conduct them successfully. Among them. There are pension reform, military reform, municipal reform, reforms in educational and science spheres. By law, the administrative and territorial reform in Poland is recognized as one of the best in Europe.

This is the synergistic cumulative effect of Polish economic miracle, programmed modern stable trend in the Polish economy and society as a whole.

The conclusion of the presented research. Polish economic miracle reflects the complex and multilevel relations. Its expressed forms, regardless of whether the society is responsible or not, affect not only in Poland. And the collapse of the socialist system is just one of the manifestations of such forms.

Further research perspectives of the issues raised may be embodied at least in the two directions of the studies. One is to analyze the interdependence of events associated with the socialism collapse (and not only on the European continent). Another direction is the detailed analysis of aggregate prerequisites, content and consequences of Polish economic miracle as the phenomenon of world history of the XX-XXI centuries.

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Чеботарьев В. А., Чеботарьев С. В. Польское экономическое чудо как фактор краха социалистической системы хозяйства

Впервые в истории науки дается определение понятия «польское экономическое чудо» как научной категории.

Классифицируются сущностные черты данной категории, гносеологические основы ее познания и инструментарий количественной оценки. Рассматриваются институциональные предпосылки польского экономического чуда. Проводится его сравнительный анализ с аналогичными явлениями и процессами в ФРГ, Японии и Сингапуре. Уясняется роль польского экономического чуда в крахе социалистической системы.

Ключевые слова: польское экономическое чудо, научная категория, крах социализма, «план Бальцеровича», гносеология познания, малый и средний бизнес, институциональные предпосылки.

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Chebotarov V., Chebotarov Ye. Polish economic miracle as a factor of the socialist system of economy collapse

The definition of "the Polish economic miracle" concept as a scientific category is provided in the history of science for the first time. The essential features of a given category, the epistemological basis of its knowledge and quantification tool are classified in this article. Also the institutional of Polish economic miracle are considered. Its comparative analysis with similar phenomena and processes in Germany, Japan and Singapore is held. The role of Polish economic miracle in the collapse of the socialist system it clarifies.

Keywords: Polish economic miracle, scientific category, the collapse of socialism, "Balcerowicz Plan", epistemology of knowledge, small and medium-sized businesses, institutional prerequisites.

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