

Book Review of *The State and Dominant Groups in The Economy: The Approach of Institutional Political Economy* by Anna Ząbkowicz

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Abstract: By combining the achievements of political economics and institutional economics, Anna Ząbkowicz proposed the term 'institutional political economics' in the title. The book reflects on the state–economy relation, including the perspective synthetically combining these two approaches. Ząbkowicz aimed to study the dominant entities in the economy, and the state's role in relation to them. Ząbkowicz claimed that the entities have enough power to impose their agenda on their environment, more often including the state. The state is subject to pressure from various interest groups, including big business, by building key institutions for the functioning of the economy and implementing public policies. In consequence, the modern economy results largely from a game between the state and said groups. In the perspective adopted by Ząbkowicz, what matters is the relationship between power and dependence, and the institutionalisation of the economic and political process. This approach differs significantly from the neoclassical mainstream in economics, making the reviewed book a very interesting read. The review will comprise two parts. The first one will discuss Ząbkowicz's main ideas. The second one will evaluate the monograph by listing its merits and polemizing with some of its theses.

Keywords: political economics, institutional economics, dominant groups, the role of the state

JEL Codes: B20, B55, D43, P16

Suggested citation:

Pietrzak, M. (2023). Book Review: *Państwo wobec grup dominujących w gospodarce – perspektywa instytucjonalnej ekonomii politycznej* by Anna Ząbkowicz. *Social Entrepreneurship Review*, 2, 71–81. <https://doi.org/10.15678/SER.2023.2.05>

I had the pleasure to read Anna Ząbkowicz's monograph *Państwo wobec grup dominujących w gospodarce – perspektywa instytucjonalnej ekonomii politycznej* (The State and Dominant Groups in the Economy: The Approach of Institutional Political Economy). Let us first consider the title, which accurately outlines Ząbkowicz's focus. By dominant groups, Ząbkowicz means enterprise groups 'powerful enough to influence the rules of the game' (p. 18). Thereupon, she views the main goal of the study in analysing the ways of thinking about such groups, their domination – interpreted in terms of market failures – and the state's role towards them, while the state in turn often experiences its own, government failures when facing these groups. Hence the need to study these relations from political economy's perspective. Furthermore, Ząbkowicz observes that 'in order to understand the economy, we should study social relations' (p. 15) and refers to John R. Commons: 'social order is the coordination of individual activities

by means of broadly understood social transactions, or interactions, defined by either conflict or reciprocity and harmony' (p. 15). At the same time, Ząbkowicz emphasises that in capitalism, there exist 'substitutes' of market coordination, namely the hierarchical and community mechanisms, such as governments, companies, collectives, guilds, or families. The reference to Commons indicates that, apart from political economics, Ząbkowicz also takes from institutional economics. To synthesize the achievements of these two trends, Ząbkowicz proposes the notion of 'institutional political economy' (p. 21), which is reflected in the title of her book.

Jerzy Wilkin proposes a division into two categories of thinking in research on the foundations of human behaviour. The first, which includes mainstream economics, as well as significant research currents in the other social sciences that refer to assumptions about human rationality, seeks to develop a theory that describes universal foundations and rules concerning human behaviour. The other one attaches greater importance to cognitive-descriptive power than to the universality of theories and their predictive power: 'new studies are a step forward if they are more in-depth ... than the previous ones'¹ (Wilkin, 2016, p. 33). Anna Ząbkowicz clearly supports this second way of doing research, emphasising in the first paragraph of her book that she is motivated by the need to present a 'refreshing' tradition compared to the 'narrowly rationalising liberalism,' a tradition of thinking about society that helps to explain and understand the modern economy (p. 13). This tradition is to put economic phenomena in a social, political, and historical context – much more broadly than the economic context ever allows.

Ząbkowicz's book is of synthesising-conceptual nature. It is primarily based on literature review and discussion. Ząbkowicz emphasises that her work is a 'study of thoughts, meaning it does not evaluate modern capitalism, nor does it recount its history.' Instead the book's added value is 'the approach alone: moving across conventional themes of economics, but not along the fixed dividing line between individual disciplines of social sciences [in order to] understand real world problems' (p. 20). Thus, the monograph's composition is thematic, following selected problems.

The book is divided into five chapters of very different lengths: from 28 to 88 pages, 64 on average. The first chapter foregrounds the limited ability of mainstream economics to explain capitalism's economic problems, which suggested that there is a need for an approach from the perspective of institutional political economy. The second chapter focuses on the achievements of institutionalism in explaining the phenomenon of collective action, including dominant groups. The third chapter concentrates on the state and its importance to the common good. The fourth chapter continues the discussion on the state and the transformation of its position with regard to interest groups. The final, fifth chapter, attempts to answer whether cross-border capital could endure without state authority. There also are two unnumbered sections in the book: the introduction, and the conclusion. I will now discuss Ząbkowicz's findings in individual chapters.

The first chapter is titled 'Potencjał i ograniczenia wyjaśniania naukowego w ekonomii' (The Potential and Limitations of Scientific Explanation in Economics). In its first part, Ząbko-

¹ Immanuel Wallerstein employs a similar distinction in his discussion on the division of disciplines in modern universities (Wallerstein 2004). In the nineteenth century, there was a division of philosophy into science and humanities; although they share to this day the abbreviation 'PhD' from the Latin *Philosophiae Doctor*. 'Initially what one saw is that the social sciences tended to place themselves in the middle ... In the middle, but not comfortably in the middle. For the social scientists did not evolve a separate, third way of knowing; rather they divided themselves between those who leaned toward a "scientific" or "scientistic" view of social science and those who leaned toward a "humanistic" view of social science' (p. 7).

wicz provides a critical assessment of mainstream economics rooted in neoclassical economics, highlighting its limited ability to provide insight into the reality of capitalism's functioning. Ząbkowicz criticises the two main, parallel approaches in the economic mainstream: the formalist one is to be misguided by way of unjustified or excessive mathematisation, which is to become an end in itself, while the empirical one may introduce observation unreliability and problems with verifiability. Ząbkowicz deplors the fact that conventional economics treats the economy purely as a mechanism for allocating goods and services while overlooking issues related to privilege and power distribution.

Ząbkowicz views an alternative to the above in developing an 'economics of capitalism' that would synthesise political economy and institutional economics. These issues are the main focus of the second part of the first chapter. However, we should first highlight how Ząbkowicz understands capitalism, namely as a phenomenon different and distinct from the market – in which Ząbkowicz refers mainly to Fernand Braudel, but also to John Kenneth Galbraith and others. While market economy is in this regard the 'base economy,' aiming to satisfy basic needs, capitalism is to be the 'higher' level of economy serving the concentration of capital and the associated accumulation of power. While market economy is an automatism of mechanisms described by conventional economics, capitalism for Braudel means cleverness and flexibility, or what Galbraith describes as 'the planning sector,' the domain of large corporations.

We may recognize two attitudes towards such understood capitalist economy. The first one – represented by the research program of the institutional varieties of capitalism and new institutional economics – Ząbkowicz deems functionalist, which is to focus on capitalism's functional characteristics as a socioeconomic system. The second attitude perceives capitalism as socioeconomic relations marked by relations of power and dependence, and capital as a means of appropriating surplus. This attitude is represented by American institutionalism – the 'old institutional economics' by Veblen or Commons – and political economy, particularly Weber, Polanyi, and Galbraith. Ząbkowicz does not hide her proclivity for the latter perspective, which focuses on various groups' social positions, the associated access to goods, along with the institutions that shape people's thinking, motivations, actions, including coercion, power, and collective action.

The last two points from the list above lead us to the second chapter, titled 'Kapitalizm i kolektywny przedsiębiorca' (Capitalism, and the Collective Entrepreneur). This chapter is also divided in two parts: one about the issues of collective entrepreneurship, the other one about economic organisations and their power. The essence of collective action is to be the combination of individual efforts in a joint venture, with the source of success relying on the ability to channel individual energy into 'collective entrepreneurship.' As Ząbkowicz notes in the first part, we are now witnessing a declining share of small business (whose significant share and lower development level are related – and still symptomatic of poor countries) for the sake of large corporations and business groups' importance, simultaneously accompanied by an increase in the public sector's importance. As a result, the modern economy heavily depends on the game between powerful organisations – the state and the corporations – which happens not only in the economic but also in the political domain. According to Ząbkowicz, large economic organisations include both individual companies and groups of companies that may share capital bonds (capital groups) as well as functional ones (e.g. value chains and networks, *keiretsu, chaebol*). Ząbkowicz emphasises:

I am interested in large organisations focused on economic benefits, or in their representations. ... collective entrepreneurship also manifests itself in attempts at exerting influence

outside the product markets, money, and financial assets The proper domain of business groups and corporations ... is economy, but they are becoming a part of *polity*. (p. 118).

The development of collective entrepreneurship can be interpreted as the result of a series of institutional innovations, from family companies (*compagnia*) and commandite partnerships in Italian city states through East Indian trading companies (commercial capitalism) to joint-stock companies (industrial capitalism) and transnational corporations (modern capitalism). Thusly understood groups are gaining an increasingly powerful position that allows them to dominate over weaker entities. The domination involves the question of power, which is to operate on two levels: the economic/bargaining power and the political/intentional power, the latter being understood as 'the ability to influence social relations and benefit from it at the expense of others' (pp. 129–130).

In this context, Ząbkowicz refers to two analytical concepts. Offering the perspective of individuals focused on the pursuit of their own interests, methodological individualism indeed imbues economic research with an objective character but remains unsuitable for exploring the issue of dominant groups in the economy. Besides neoclassical economics, Ząbkowicz includes in this methodological tradition new institutional economics and collective choice theory. As a result, she considers the propositions of Oliver Williamson, Mancur Olson, James M. Buchanan, Gordon Tullock, and Elinor Ostrom irrelevant to the problems of her monograph. On the other hand, Ząbkowicz views as relevant the holistic tradition to which she includes the traditional (old) institutional economics.

Ząbkowicz justified this view more extensively in the second part of the second chapter. Here, she also addresses the issues of economic strength and the power of large economic organisations, akin to Galbraith's 'planning sector' governed by the 'technostructure.' Gaining an advantage by corporations happens only partly through market mechanisms as it partly also consists of the ability to impose their goals on their surroundings, including influencing the state: 'through members of the technostructure, corporations adjust social attitudes to suit their own needs. They present that which serves the technostructure as proper public policy' (p. 180).

Ząbkowicz states that business groups are best developed in the richest countries, namely in the USA, Western Europe, and Japan – developing in other advanced economies thanks to the expansion of groups from these countries, along with the liberalisation of economies and the growth of capital markets. Consequently, capitalism in Central and Eastern European countries is to be 'peripheral capitalism, dependent on the foreign investments by multinational corporations' (p. 192).

The third chapter shifts focus to the issues of the state. It is titled 'Państwo i interesy' (The State and Interests), and also comprises two parts. The first one focuses on the state from the perspective of the common good, while the second one explores the issue of interest group representation and the legitimacy of their access to the state. As Ząbkowicz notes, while microeconomics keeps a distance from these issues, almost ignoring the state's role, macroeconomics tends to overestimate the role of the state. It is the state's domain to legalise and sanction rules, therefore also to create a formal institutional matrix, which institutional economics cannot neglect. Furthermore, the state distributes wealth and income in society, which is impossible to study without understanding the distribution of power among social interest groups.

Ząbkowicz defines democratic state as 'a social structure wielding power and imposing order over a specified territory and population based on political legitimacy provided by a democratic vote' (p. 199). Politicians and bureaucrats enforce power, although the role of the

latter often transcends what could be described as merely executing their superiors' political orders. Thus understood, the state plays a game with various organised interest groups by building institutions and creating public policy. Therefore, the state's task in this regard resembles a balancing act in a constellation of more or less conflicting interests, trying to maintain independence. Ząbkowicz outlines two separate camps in economics that continue to argue about the state's role: the conservative liberals and the social liberals.

The conservative liberals perceive the state as a threat to core values such as freedom, equity, and justice because of its two main errors. First, by interfering in the market the state is to spoil it, thus threatening freedom. In extreme cases, by regulating economic processes, the state can gradually increase its control over citizens to the point of totalitarianism. Second, the state violates equity based on the equal opportunity principle by redistributing income. This does not mean that conservative liberals would like to reduce the state to a mere role of a *laissez-fairist* 'watchman.' However, they distinguish two layers of the state's role: constitutional (institutional framework) and operational. The latter is to manifest the threat from the state to the axiological order: freedom and justice. 'This stance imparts a prohibitionist direction to the conservative-liberal economists' thinking about the state' (p. 216). This way of thinking would have the state completely avoid operational actions (Hayek) or follow the subsidiarity principle (ordoliberalism).

Social economists perceive the sphere of economic activity as rooted in society (Karl Polanyi's 'embeddedness'), highlighting the problem of the underprivileged social classes' freedom. They are to recognise the inextricable link between material security and personal freedom, hence they view poverty as a type of slavery. In this take, economic security becomes the state's primary duty as the precondition and protection of freedom. This leads us to the idea of welfare state, which should actively rectify the contradictions stemming from private property, which with growing asymmetry may become the instrument of domination of some over others.

Ząbkowicz highlights the assumptions underlying these two approaches. On the one hand, the conservative liberals believe that the state can take measures to self-limit its role in the economy. On the other hand, the social liberals rather naively assume the state's benevolence.

In the second part of the third chapter, Ząbkowicz discussed the issues of space for advocacy (lobbying) in the structure of the state, which becomes an 'arena of interaction' (p. 227) of interest groups. Around the core composed of politicians and bureaucrats grow mediation institutions. Through them, social coalitions seek to translate their preferences into state actions, which questions the state's autonomy in the shaping of public policy. As a result, business interest groups and trade unions become social partners for public authorities. Thus construed, advocacy can take a pluralistic form like in the USA or the UK or a corporatist one like in many countries of continental Europe.

What is the explanation for the access of interest groups to the creation of public policy? The conservative-liberal interpretation highlights the distributive, therefore non-productive character of interest coalitions motivated by rent-seeking. Such actions disrupt not only the incentive system characteristic for a healthy market economy – and discourage investing in productive activities – but also the transparency of interface between politics and economy, along with provoking a growth of regulations and an adequate bureaucratic apparatus. A possible solution to this problem would be to separate the structure of *polity* from the economy.

By contrast, Commons – the leading figure in American institutionalism – justifies lobbying from a welfare state perspective. Commons claims that trade unions strengthen the position

of the state relative to the interests of the industrial and financial lobby. A similar take can be found in Galbraith's concept of countervailing power. Thus, from the social-liberal perspective, organised advocacy plays a system-building role.

The fourth chapter continues the discussion on the state in the context of configuring capitalism by including its interaction with interest groups. The chapter is titled 'Transformacja państwa i jego pozycji' (Transformation of the State and Its Position) and comprises three parts. The first one characterises the transformation of the post-war democratic state 'from a welfare state to a debt state.' The second part describes the changing position in the tripartite system of government (state–capital–labour). The third part discusses the legitimacy of state power.

According to Ząbkowicz, a democratic social state created after 1945 was the Western response to two threats: fascist totalitarianism and the soviet communism. This was to involve both the state and the 'capital' acknowledging the need to ensure social peace, which was the reason for the concessions to the elementary mass of taxpayers and voters: the wage earners. Strong trade unions were an additional factor that increased the bargaining power of workers. Therefore, the negotiations between the 'work' and the 'capital' proved to be a sustained praxis, institutionalised through mediation and state support in the form of industrial disputes and co-decision mechanisms. This 'marriage of convenience' resulted in a significant expansion of the post-war capitalist state's tasks, enabling a greater range of social policy than ever before. That compromise safeguarded the social balance by preventing tensions between the 'work' and the 'capital' from escalating into an open conflict, thereby also enabling smooth business practice and development. On the other hand, social security generated the loyalty to the democratic state, limiting the influence of totalising ideologies in the realm of 'work.'

As Ząbkowicz observes, after around three decades of success, the welfare state started to transform under the pressure of international economic relations and the progressing financialisation. The notoriety and scale of budget deficits in public finance systems of welfare states necessitated their financing on the financial markets. In a positive feedback mechanism, 'a debt state became the main reason of financialisation as well as its effect' (p. 281). As a result, public politics had to reckon with rating agencies' assessments that directly affect the cost of public debt financing. Thus, there emerged a tension between the state based on constraint and its creditors – guided by the logic of financial markets – on whom the state became increasingly dependent.

This situation has affected the existing social contract, the level of medical and social care, and pensions. The issue of social security started to shift partially into the domain of market, and costs started to be partly transferred to households. It is particularly visible in pensions, which Ząbkowicz claims to be symptomatic for the erosion of social security: 'the logic of individual insurance has now replaced intergenerational solidarity and group spreading of risk' (pp. 283–284). At the same time, the official representations of group interests become disorganised. On the one hand, as a result of globalisation, the dependence of 'capital' on local regulations decreased, and so did the interest in local social dialogue. On the other hand, trade unions are now losing their members and relevance.

In the last part of the fourth chapter, Ząbkowicz considers what legitimises state authority besides coercion based on law enforcement and armed forces? She indicates that it is the mission to grow national product and income, albeit in fact, it is the faith that this growth will continue: 'Long-term economic growth legitimises state power' (p. 291). She considers these issues within the framework of 'the triangle of power' whose vertices include 'the state,' 'labour' (Streck's *das Staatsvolk*), and 'capital' (*das Marktvolk*). Ząbkowicz notes that the

modern democratic state falls into a trap by striving to meet the expectation of both of these groups simultaneously. *Das Staatsvolk* expects the fulfilment of social obligations that – in its opinion – legitimise the state and for which it holds politicians accountable during elections. On the other hand, these obligations are increasingly sending the state into a certain debt spiral, which creates expectations of building macroeconomic credibility with *das Marktvolk*. By substituting taxes with credit, the welfare state becomes a debt state operating in a conflict over the distribution of income between the creditors and citizens. Ząbkowicz concludes her thoughts on this matter as follows:

the material basis for the functioning of the state is its capital and income; the extent of state control and its borrowing capacity complement this domain. Legitimising state power through economic growth during financialisation shows a fundamental weakness. The limiting of both the base and domain of the state has become the hallmark of the turn of the twentieth and twenty-first centuries. ... the state loses another basis for promoting growth in terms of resources and control. (p. 309)

The fifth and last chapter is titled 'Transgraniczny kapitał bez władzy państwowej' (Cross-Border Capital Without State Power). Ząbkowicz highlights the role of private transnational organisations and multilateral international institutions. Due to the exhaustion of sources of state power legitimacy described in the preceding chapter, as well as globalisation, we witness the growing role of large business organisations conducting cross-border business in limiting state autonomy in controlling the economy. 'Capital' can select national markets. Withholding, or outflow of foreign investment can be a potential blackmail tool. On a really large scale, it threatens to destabilise state finances. Today, GAFA companies – Google, Apple, Facebook, Amazon – and similar who ones represent 'surveillance capitalism' receive an additional reinforcement to their position. In 'surveillance capitalism,' user behaviour data becomes the capital, because it is transformable into behavioural predictive products sold to actual customers: advertisers who shape consumer behaviour. Behavioural knowledge thus becomes a source of power, which in turn can generate a symbiosis with the state, which willingly uses databases on citizens.

Apart from cross-border business, multilateral intergovernmental organisations are another factor conducive to the diffusion of state power (e.g. WTO, OECD, IMF, EU). Consequently, as Ząbkowicz observes, there is 'a growing importance of technocratic institutions in the structures of nation states ... [while] power remains in the hands of state authorities, it concentrates in technocratic public agencies' (p. 330) exempt from democratic control. The traditional state power – indivisible and assigned to a territory – is gradually eroding.

In this context, Ząbkowicz attempts to answer 'under what conditions a state of the future would be empowered to once again become a *mediating institution*' (p. 339). She notices a possibility of easing the tension between the growing power of financial markets and social obligations in the alliance of the state with the groups whose main business is related to the state: small and medium-sized enterprises, local banks, and households being both consumers and employees. This alliance could be a force to counter the internationalised 'capital.'

After summarising Ząbkowicz's main points covered in each chapter, we should now attempt to assess her elaboration. I read the book with great interest and intellectual satisfaction. Its exceptional value lies in that it organises around the eponymous problem the achievements of many scientific disciplines interested in the running of economy of – especially – capitalist economy, namely economics, sociology, political science, or history. In this respect,

Ząbkowicz freely transgresses the narrow frames of mainstream economics understood as a positive science about the behaviour of a fully rational economic man who faces the problem of production in conditions of resources scarcity, yet a science avoiding normative judgments, issues of power relations, or the authorities, which all affect the distribution of production. The neglect of these problems by neoclassical economics stems from assumptions useful for a theory that aspires to describe universal laws, which nevertheless happens for a high price, namely that of losing cognitive power and descriptive abilities.

As Sławomir Czech once said in a discussion, teaching economics often resembles teaching what he called 'lever economics': it answers which lever to pull to achieve the desired effect. However, learning how to use something is not the same as learning to understand something. Aiming for a more insightful description – thus an understanding of economic reality – Ząbkowicz utilizes achievements of political economy and institutional economics while seeking to synthesise the two currents. When doing economics – and almost always when teaching economics – we speak more about harmony than conflict. However, experience shows that many social problems stem from conflict. Furthermore, capitalism 'has many names,' and it is precisely the institutions – as the rules of the game – that determine which type of capitalism we are facing. Hence, we should regard Ząbkowicz's approach as entirely justified. Moreover, by including Polanyi's concept of 'embeddedness' – the rooting of the economy in social life – Ząbkowicz extensively refers to social sciences other than economics, which is an undoubted advantage of the reviewed book.

The value of the book is its extraordinary scientific breadth, visible not only in the range of references to various disciplines, but primarily in the complexity of discussed issues. Virtually every chapter of this study could form the basis for a separate scientific monograph. Ząbkowicz fulfils a difficult task reliably, opening a path for further scientific inquiry. Her book will certainly become the starting point of much reflection and investigation by numerous scholars, perhaps not only economists.

The monograph's biggest asset is the structure of content: not following disciplines but aspects arranged problem-wise to facilitate the identification dominant groups problems and their relations with the state. However, we may make some reservations here, albeit rather technical than substantive. I believe that a 350-page-long study could be divided in more than merely five chapters, which is something to be considered in future reprints or editions. I believe that structuring the content in smaller chapters would make for an easier read.

Moreover, Ząbkowicz presents her deliberations on often highly controversial issues in a measured manner. It is particularly visible in the third chapter, in which she presents the views of two different camps: the conservative one and the social one. Ząbkowicz provides a balanced report of arguments for and against the positions of both parties. Furthermore, we should criticise Ząbkowicz's rather unilateral presentation of large economic organisations in the second chapter; this refers to both single and groups of corporations. Although at the end of the chapter, Ząbkowicz stipulates that she does not treat these entities as wrong – keeping in mind the beneficial aspects of their operations (pp. 184–185) – the whole chapter remains highly critical of them.

In this regard, I agree with Noga (2022) who writes:

the threat to competition comes not from high concentration, which is often beneficial to households, but from the totality of institutional economic, political, and social factors that render dominant entities on markets ineffective. ... [Moreover,] global effective dominance

is a less favourable solution than effective competition for households ..., but not as negative as it is sometimes portrayed'. (pp. 12–13)

We should remember the range of mechanisms that enable large business entities to be a socially effective solutions. Noga lists 18 of them, and I will highlight here only three: economies of scale and scope, the experience curve, technological innovations (Noga, 2022, pp. 118–119). These benefits relate to technical efficiency. In turn, market monopolisation impairs allocative efficiency. However, Leibenstein (1985) notes that the differences in allocative efficiency between competitive versus monopolised sectors are surprisingly small. Naturally, Ząbkowicz discusses problems that extend well beyond allocative inefficiency, namely related to the translation of monopoly power onto political power. However, from the viewpoint of social welfare, the net effect of large economic entities' functioning is not clearly evident, and indeed – very difficult to define. Therefore, Ząbkowicz's book lacks a broader reference to these issues, which would allow for a more balanced depiction of these entities. Indeed, the problem impacts the proposed path to alleviating the tension between financial markets' power and social obligations: the state's alliance with groups whose core interests are linked to the state, which could be a countervailing force to transnational corporations. This solution needs to be taken with a grain of salt, as we cannot discern to what extent it is reasonable – and implementable.

Ząbkowicz openly declares herself a supporter of traditional institutional economics (TIE), while she seems to disregard the achievements of new institutional economics (NIE), positioning it almost identically with the criticised neoclassical economics: 'in contrast to 'old' institutionalism, 'new' institutionalism shows no ambition to challenge the neoclassical tradition in economy' (p. 149). In particular, the book lacks a broader consideration of Oliver E. Williamson's major achievements, which after all, transcend the boundaries of economic orthodoxy – yet are compatible with the considerations pursued in the monograph: (1) to give due attention to the role and different mode of operation of the 'visible hand' (i.e. hierarchical organisations) in the economy as opposed to the market; (2) to raise awareness of the importance and role of opportunism; and (3) to point out the role of institutions functioning as mechanisms to mitigate opportunism.

Finally, the ultimate polemical remark. Ząbkowicz's monograph lacks more detail regarding the events of recent years, particularly the experience of the Covid-19 pandemic, which noticeably reinforced nation states' position. After decades of neoliberalism's domination and the private sector's expansion at the expense of the public sector, the latter is slowly regaining power (Arak 2021; Zielonka 2020). As Zielonka (2020) argues:

the nation-state seems to be experiencing a striking renaissance. Borders are back Virtually overnight, national capitals have effectively reclaimed sovereignty from the European Union They are practically ruling by decree in a war-style fashion. ... The coronavirus outbreak seems to be reversing the course of history. Gone is globalisation.

Nation states reappeared between the international and local levels as the main guarantors of wellbeing and crisis management coordinators. It remains an open question whether the renaissance of nation states will prove to be a relatively short anomaly or a lasting trend. However, in the context of the Russian invasion on Ukraine, and the emerging vision of a new Cold War, one could expect an even more expansive policy of nation states.

Regardless of the above polemical remarks and discussion, I consider Anna Ząbkowicz's book to be a very valuable and much needed work. It fills an important gap in Polish literature on economics. Ząbkowicz's monograph should interest any economist who values insightful

description and understanding of reality over the precision of formal models; it should also interest those social scientists who focus issues of power and influence at the intersection of the economy and politics. Thus, Ząbkowicz's book will surely become a mainstay of political economy and institutional economics, maybe even an inspiration for ambitious senior students of economics and other social sciences.

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Acknowledgements and Financial Disclosure

None reported.

Conflict of Interest

The author declare that the research was conducted without any commercial or financial relationships that could be construed as a potential conflict of interest.

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Published by Krakow University of Economics – Krakow, Poland



**Ministry of Education and Science
Republic of Poland**

The journal is co-financed in the years 2022-2024 by the Ministry of Education and Science of the Republic of Poland in the framework of the ministerial programme "Development of Scientific Journals" (RCN) on the basis of agreement no. RCN/SP/0391/2021/1 concluded on December 9, 2022 and being in force until December 8, 2024.