

Dear Readers,

The latest issue of *Argumenta Oeconomica Cracoviensia* confirms the broad range of subjects tackled in the journal, in which we publish articles from the fields of economics, management science, finance, and other sub-disciplines of economics. This broad profile creates publication opportunities for many authors working in these areas, which is reflected in the articles sent in to the editorial board.

It is our intention to publish both theoretical texts and work that engages with various aspects of current economic and social policy at the domestic and international levels.

The articles that appear in the journal are devoted to the workings of the modern economy and its various sectors. The authors analyse trends and changes in the market economy, examine the role of the state in regulating markets, advance hypotheses regarding forecasted events, and present overall assessments of the areas under consideration that include proposals for change.

Even a cursory examination of the history of economic theory informs us that a variety of currents and schools of thought have grown up within it. Generally speaking, research on the economy is now dominated by mainstream economics and heterodox economics. It should be stressed, however, that this division is to some extent arbitrary and that it is subject to change. Mainstream economics includes the neo-classical school, monetarism, the theory of rational expectations, real business cycle theory, and Keynesian economics, while the historical school, institutionalism, public choice theory, and the Austrian school are the most prominent currents belonging to heterodox economics. Given that confidence in mainstream economics has declined since the last financial crisis, there has been a noticeable return to neo-Keynesian ideas as well as to other schools of economic thought. The increasing diversity and complexity of social and economic phenomena fully justifies the need to study them using a variety of initial assumptions and analytical methodologies depending on the school of economic thought concerned. The weakness of mainstream economic

theories, especially those of the neo-classical school, in explaining the reasons for the financial crisis and the course it took has prompted renewed interest in methods of economic research that have been overshadowed by mainstream economics in recent decades. One expression of this is the increased interest in the Austrian school of economics and its modern variants. Andrzej Jędruchiewicz's article, "The Methodology of the Austrian School of Economics", may therefore be regarded as a useful and timely contribution.

Mieczysław Dobija addresses the question of the relationship between work and capital in an article entitled "Labourism and the Economics of Limited Taxes". The analyses are both abstract and, where based on selected empirical data for Poland and the USA, specific. The author reaches original conclusions regarding the sources of the creation of money and the financing of labour (remuneration), while reconceptualising the function of money and the functions of central banks. The author's view is that as a result of these changes, which are of fundamental importance to the modern economic system, we would be able to reduce taxes and eliminate budget deficits. Although the author's approach to fundamental economic categories and their interrelationships may be debatable, even controversial, it remains supremely original. It is an article which provokes us to critically re-examine the way the modern economy functions and to reappraise the paradigm of contemporary economic theories.

The functioning of a single economic and monetary area, specifically the euro area, which remains a gigantic social and economic experiment, has understandably attracted a great deal of scholarly attention. This research and analysis has addressed not just the economic grouping as a whole, but also the various segments of the single market and single currency. "The Impact of the Euro Area Macroeconomy on Global Commodity Prices", in which Monika Papież, Sławomir Śmiech, and Marek A. Dąbrowski investigate the relationships between real and financial processes in the global market and in the euro area, is a welcome and interesting addition to this body of work. The paper analyses energy and non-energy commodity prices globally and in euro area. The results the authors obtained by applying the structural VAR model constitute an important contribution to research on the functioning of the euro area.

The functioning of the euro area is also the subject of Anna Malinowska's article entitled "The Impact of the Monetary-fiscal Policy Mix and Financialisation on Fixed Asset Investment in the EU in 1999–2014", which attempts to explain how – under the qualitatively new conditions associated

with the financialisation of the economy – the autonomous monetary policy of the ECB is conducted in the context of state-level fiscal policies in the euro area. The period under investigation witnessed a tightening of monetary policy alongside high budget deficits and an increase in public debt. The hypothesis may be adopted that the lack of coordination between monetary and fiscal policy, which was in addition conducted under conditions of financialisation, restricted the capacity of enterprises in the real economy to acquire external capital and thereby limited their ability to take advantage of financial leverage. The author tests this hypothesis by investigating the influence of financial policy (monetary, fiscal) on investment in the real economy in the euro area. Although there is an abundant literature offering analysis and research findings on this subject, the results obtained in this paper make a valuable contribution to our understanding of the mechanisms by which the euro area functions.

The role of exchange-rate changes has been the subject of continuous investigation from the perspective of their influence on domestic economies and on the financial and economic standing of countries internationally. The phenomenon of radical changes in the value of a domestic currency in relation to foreign currencies represents an additional challenge for economists. It is then necessary to identify the causes of the situation and to understand and interpret the effects it will have on the economy and society. This is not a straightforward undertaking because exchange rates are influenced by many external and internal variables, which may be political or strictly economic in nature. It is in this context that the case of Ukraine, as investigated by Viktor Shevchuk in his paper “The Real and Nominal Effects of Large Devaluations in Ukraine”, may prove instructive and interesting for readers.

While the other articles we have discussed address economic theory and the functioning of the economy, in the paper that concludes this issue of the journal, “The Understandability of Financial Statements in the Decision-making Processes of Insolvency Proceedings”, Kinga Bauer alerts us to the importance of the quality of financial statements to economic entities threatened with bankruptcy and, where bankruptcy proceedings are already underway, to the creditors of the entity that is going bankrupt. The author conducted questionnaire studies of enterprises in the south of Poland that had entered bankruptcy proceedings as a result of insolvency. Although the number of enterprises in the sample was insufficient to make generalisations, the results nevertheless represent a useful contribution to our understanding of the role of reliable financial statements both for managers and for

other users of the information they contain, such as creditors. In that it is important for the overall functioning of the economy, the question of enterprise bankruptcy and insolvency proceedings is not confined to the microeconomic dimension alone, and therein lies the cognitive value of this paper.

Whilst commending the present issue to our readers, we would also like to invite contributions in the form of original texts, information about important academic events, and reviews of outstanding books. The journal appears biannually.

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Editor-in-chief