

Dear Readers,

We hereby commend the latest issue of *Argumenta Oeconomica Cracoviensia* to you. The current issue reflects the profile of the journal, which publishes original contributions in the field of economics and finance. This profile is a response to the global trend, especially pronounced since the last financial crisis, towards a broader and deeper strengthening of the achievements of economic theory in research on financial phenomena (financialization of the economy). If the importance of economic content in research on financial phenomena is diminished or removed altogether, economic theory and business practice can be led astray, as was demonstrated not only by the last financial crisis but also by earlier ones. Among the contributions in the current issue are papers on economic theory, papers on methodological issues in the study of economic and financial phenomena, and papers which present the results of empirical research. This formula provides a platform for the publication of papers in which economic theory and the theory of finance are given equal coverage.

An example of a methodological work is Emil Panek's article entitled *A Non-stationary Gale Economy with Limit Technology, Multilane Turnpike and General Form of Optimality Criterion*. The value of this article lies in the fact that it presents the author's latest achievements in his long-term research on, and critical analysis of, the issue of the turnpike properties of optimal growth processes in von Neumann-Gale-Leontief type economies, with particular emphasis on the so-called final state optimization growth problem.

The issue of the role of the state in the modern economy is the subject of lively debate among economists and politicians. This debate became even more intense after the financial and economic crisis that occurred in the first decade of this century. For these reasons, the article by Dominika Bochańczyk-Kupka and Renata Pęciak, *Some Reflections on the New Challenges Facing the Modern State*, deserves attention. Adopting a synthetic approach, the authors present the current state of the global debate on this subject, in which prominent economists are taking part.

The article discusses the new challenges for the role of the state in the economy. The source of these challenges is the deepening globalisation of the world economy, its instability, and the increasing unpredictability of phenomena that occur outside the borders of a given country. We are observing the weakening influence of national governments over economic phenomena, which are escaping the control of local (national) governments. This requires a new definition of the role of the state vis-à-vis the economy and finance in the supranational dimension. Greater engagement and closer cooperation between national governments is essential. New relations must be established between national governments and supranational institutions whose decisions affect national economies.

The high standard of living and prosperity of citizens of highly-developed countries are accompanied by various new phenomena, which are the subject of research across various disciplines, not only economics. These phenomena undoubtedly include the decreasing interest of couples in parenthood. This phenomenon has an individual, private dimension, but also a wider social and economic one. As a result of prosperity and advances in medicine – both in diagnosis and in treatment – we are witnessing a process of societal aging. The decreasing number of economically active people, combined with low fertility rates among the new generation, present a huge challenge for the economy, public finances, the health care system, the social welfare system, and so on. For these reasons, the results of research conducted by Marta Szklarska and presented in her article, *Economic Activity and Reproductive Behaviours in Poland*, may be considered interesting. Although Poland remains a relatively young society, unfavourable demographic phenomena such as a negative birth rate in certain years are a cause for concern and have inspired research into these phenomena. The author attempts to establish how the economic activity of partners affects the chance of having a first child. Her research covers various types of households and the different social, cultural, and religious conditions under which reproductive decisions are made.

For many decades, or even centuries, relatively little attention has been paid in the theory of economics and finance to households, which may be surprising given that the household is the central element of the economic system. Economists have tended to focus on companies, the state, markets, institutions, etc., but they are now making up for this omission. Anna Magdalena Korzeniowska's paper, *Heterogeneity of Households in the Euro Area, Hungary, and Poland in Terms of the Usage of Financial Assets and Debt on the Basis of the Household Finance and Consumption Survey*, is part

of this research trend. The value of this contribution is that it combines economic and financial aspects, focusing on the household as an entity that accumulates monetary savings whose micro- and macroeconomic importance does not require comment. Also noteworthy are the comparative results on the allocation of monetary savings (financial assets) of households operating in the Euro area as well as in two countries outside that area.

Issues related to the unequal distribution of income and excessive divergence in standards of living, both globally and at the national and regional levels, continue to be a subject of interest for economists, regionalists, sociologists, and social-minded politicians. The importance of these issues is aptly highlighted on the example of Poland in Grażyna Dehnel, Marek Walesiak, and Marek Obrębalski's article entitled *Comparative Analysis of the Ordering of Polish Provinces in Terms of Social Cohesion*. The article presents the results of research on social cohesion using classical metric data and interval-valued data. Three groups of variables are adopted: basic human needs, foundations of well-being, and opportunities. This work, apart from its substantive results, provides an opportunity to critically assess the method employed by the authors and the results obtained.

In the face of an increasingly complex financial world, someone even quite well-versed in the workings of the financial market and the financial instruments used is not able to fully comprehend this domain in order to make the most advantageous decisions (choices). Instead, they are forced to rely on the opinions of various individual or – more often – institutional experts connected with the financial market. Therefore, the legal status of such institutions and the credibility of the recommendations they provide to investors is important. In their article, *Trading Recommendations – A Long-term Analysis and the Evolution of Law*, Piotr Dąbrowski and Katarzyna Jarno investigate the quality of brokerage houses in Poland. The aim of their research was to identify the leading recommenders from among financial institutions publishing investment advice. The research shows that the overall quality of recommendations made by brokerage houses in Poland is very low, while the transaction costs included in the calculation, together with capital gains tax, worsen the results achieved when following the advice of brokerage houses. It is also interesting to note the authors' claim that despite the poor quality of recommendations issued, legal regulations that are meant to protect investors are not undergoing the changes that investors expect. However, it is not entirely clear which regulations are at issue here. In any case, the article sits perfectly within the current of institutional economics.

While 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. Texts in the field of economics and finance will be treated as most relevant to the journal's profile.

Prof. Stanisław Owsiak

Editor-in-chief