

**Professor Grzegorz W. Kolodko**  
**Director of TIGER**  
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### **Introductory remarks**

It is already the fifteen event in our WSPiZ and TIGER series of *Distinguished Lectures* (see: [www.tiger.edu.pl/publikacje/dist.htm](http://www.tiger.edu.pl/publikacje/dist.htm)). All of them are published and downloadable from the website of Transformation, Integration and Globalization Economic Research – TIGER – at [www.tiger.edu.pl](http://www.tiger.edu.pl). And today's lecture will be accessible there soon too. Yet before it will happen we have the pleasure today to listen to the lecture presented by a leading Russian economist – Professor Alexander Nekipelov.

Professor Nekipelov currently is the Deputy President of the Russian Academy of Sciences and the Director of Moscow School of Economics at the famous Moscow Lomonosov State University. He is also an Academician that is the full member of the Russian Academy of Sciences. Earlier, for a number of years, he was the Director of the Institute for International Economic and Political Studies at the Russian Academy of Sciences (see: [www.transecon.ru/EN/info.php](http://www.transecon.ru/EN/info.php)).

A graduate of Moscow State University with a doctoral degree in economics, Professor Nekipelov has concentrated his academic work in the fields of international economic relations and economic systems in socialist and postsocialist countries in transition to a market system. He is the author of more than 170 published works, of which many are in English.

Professor Alexander Nekipelov lecture is entitled *Public Preferences and their Role in Shaping Russian Economic Development*. A choice of such topic is not accidental one. As the Author has stated in the *Introduction* of his paper, “The problem of public preferences influence upon the strategy of economic development of a country is a permanent one, but now in Russia it becomes, or should become, one of the most important challenges.” And the answer for a question: *Why it is so?* is the main trust of this important and interesting contribution.

The debate on the role of the state, or government, continues. We have had a chance to learn on this subject from Professor Janos Kornai during his November 2001 WSPiZ and TIGER *Distinguished Lecture* No. 9 on *The Role of the State in a Post-*

*Socialist Economy*.<sup>1</sup> The arguments in favor and against an active role played by the government in settling the aims and agenda of economic policy – as well as the set of the instruments at the disposal of the government involved – is far from over even in the developed, sophisticated institutionally market economies. It has been also quite recently a point of a substantial difference between the two candidates for the USA President – Mr. George W. Bush and Mr. John Kerry. So the more this must be a focal point of further intellectual and political debate in postsocialist transition economies, engaged in vast structural, institutional, political and cultural change.

One must agree, I think, with Professor Nekipelov when he is presenting a theoretical way of reasoning, showing that an emerging economy – as it is the case of Russia and all other, yet to a different extent, postsocialist countries, including the new members of the European Union – must take care of setting its agenda for development. It is virtually impossible to leave it without state intervention. Hence, one needs the active role of the government. There is no doubt about it even among the followers of the naïve neo-liberalism and the zealots of market fundamentalism. Are they in Russia or in Poland, in East Central Europe or in Latin America, or even if they are at the International Monetary Fund, there is now a deep conviction that there is a lot to be done by the government in the contemporary market economy.

The more this is a truth *vis-à-vis* the postsocialist countries.<sup>2</sup> The government is indispensable in shaping and streamlining the market institutions, upgrading the hard infrastructure of the economy and supporting the investments in human capital. Yet by what means and to what extent – these are the issues that remain to be disputable. How much and how fast one should downsize the government? Or is it all not about the size, or downsizing of the government(s), but rather about the need of redefining the role the state should play in emerging market economy of the postsocialist type, for the sake of faster economic expansion, increasing competitiveness of private sector and increasing standard of living of the people.

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<sup>1</sup> See Janos Kornai, *The Role of the State in a Post-Socialist Economy*, Warsaw, Leon Kozminski Academy of Entrepreneurship and Management, *Distinguished Lecture Series*, No. 9, November 2001 (see: [www.tiger.edu.pl/publikacje/dist/kornai.pdf](http://www.tiger.edu.pl/publikacje/dist/kornai.pdf)).

<sup>2</sup> More on the subject see Grzegorz W. Kolodko, *From Shock to Therapy. The political Economy of Postsocialist Transformation*, Oxford University Press, New York 2000 and Joseph E. Stiglitz, *Globalization and Its Discontents*, W. W. Norton & Company, New York – London 2002. See also Grzegorz W. Kolodko (ed.), *Emerging Market Economies. Globalization and Development*, Ashgate, Aldershot, England – Burlington, VT, USA 2003

Professor Alexander Nekipelov paper and his WSPiZ and TIGER lecture is a significant contribution to the ongoing discussion on all these challenging issues. I am sure that we will be pleased to learn from his expertise, knowledge and train of thoughts.

Sasha, welcome to the Kozminski School of Business and TIGER, and the floor is your.