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# Polish Economic Society as a Public Benefit Organization

Polish Economic Society (PTE) is a public benefit organization aimed at disseminating and popularizing the knowledge of economy, the development of economic theory, and its rational use in practice. The Polish Economic Society, created in 1945, is a continuation of over 200 years of tradition of social movement of economists which continued to operate even in the toughest, most dramatic periods of Polish history. This is confirmed by historical documents.

The thoughts and recommendations in these documents are an important point of reference even today, in the current activities of the PTE. This concerns also the message formulated nearly 100 years ago, contained in a speech delivered on 1 March 1921, by Baron Jan Götz-Okocimski on the occasion of the establishment of the of Economic Society in Krakow: “We want to be the eye that sees wealth slumbering in the country and the population. We want to be the ear that catches general needs and means striving to satisfy them. We want to be the brain that is considering, criticizing, and shows the way. However, our activities will not be only on paper, didactic or agitative. We shall do our best so that everything we shall say or write shall be turned into action. (...) We do not want to be either a school or academy; our ambition is to become a central source from which all production needs to learn in order not to fall into stagnation, not wither, not die, and not surrender to the difficulties and obstacles”.

It seems that currently the timeliness of this message is not only diminishing, but due to the increasing complexity of the economy and its tur-

bulent changes, gains in importance. Daily life proves that solid economic knowledge helps one not to surrender to the difficulties. Measures for the dissemination of this knowledge are therefore necessary in any system in which such knowledge is one of the fundamental factors in economic decision making and rationalization of economic decisions. Deficiencies in such knowledge can lead to a variety of severe, adverse events, confirming the well-known aphorism that the *market has no enemies, but it has many victims*.

The relevance of this aphorism has been spectacularly confirmed by the largest crisis in the post-war period, which started in 2008, in the U.S. and has not yet, in my opinion, been fully resolved in the global economy, and by some economists is regarded as the first crisis of globalization. This crisis has evolved and is still evolving from the real estate crisis in the United States, to the global financial crisis, to the economic crisis, and to the debt crisis – still felt today by many countries.

The extent and depth of the crisis intensify the controversies and are the source of sometimes extreme assess-



23 October 2013, Professor Amit Bhaduri, University of Jawaharlal Nehru in Delhi, Professor Kazimierz Łaski, Johannes Kepler University Linz, Austria, “What Has Globalization of Finance Economic Policy Done it?”

ments of the mission and the place of economics in shaping the socio-economic transformations. Controversies concern the practical utility of the basic trends of economic theory and their relevance to economic reality. The crisis has revealed deep failures in the global economic system, pointing to the challenges facing economists. Therefore, one can regard as almost as a *memento* the thought formulated nearly 70 years ago, in 1946, by the American economist Henry Hazlitt (1894-1993): „The art of economics consists in looking not merely at the immediate but at the longer effects of any act or policy; it consists in tracing the consequences of that policy not merely for one group but for all groups.”<sup>1</sup>

This sentence is consistent with the ideas that underlie activity of the Polish Economic Society which is reflected in its statutory purposes. The PTE’s priority task is to spread the economic knowledge, taking into ac-



17 January 2013, the PTE Conference “Effectiveness of bankruptcy proceedings : The results of research, its popularization and application in practice”



10 May 2012 - Professor Jerzy Hausner, the debate at the “Thursdays at the Economists”, entitled “The course on innovation. How to lead Poland out of the developmental drift”

count the developmental challenges facing Poland. This is all the more important because unfortunately, Henry Hazlitt’s opinion has lost none of its relevance “Economics is haunted by more fallacies than any other study known to man”.<sup>2</sup> In 1985, in a similar vein, Milton Friedman said that economics is a fascinating discipline, but still insufficiently known, understood and used in practice. “*What makes it [economics – ed. EM] most fascinating is that its fundamental principles are so simple that they can be written on one page, that anyone can understand them, and yet very few do.*”<sup>3</sup>

The following projects implemented by the PTE are focused on disseminating economic knowledge, understanding of economics, and its rational use in practice:

- ▶ Congresses of Polish Economists,
- ▶ Seminar “Thursdays at the Economists”,

- ▶ Forum of Strategic Thinking and other conferences and seminars,
- ▶ Publishing, among others, books in the series “Nobel Prize in Economics”,
- ▶ Economic Knowledge Competition and other educational programs,
- ▶ International cooperation.

These projects are more extensively presented further in the Bulletin. The projects are implemented by the National Board of the PTE and 23 Branches in the country and by the Scientific Council of the PTE in collaboration with external partners, including universities, the Lech Walesa Institute, the Polish Federation of Engineering Associations, the Association of Accountants in Poland, the Scientific Society for Organization and Management and the Council of Scientific Societies. The projects are reflected in our Bulletin of the PTE which is an important form of infor-

mation on the current activities of the PTE and one of the forms of promotion and popularization of economic knowledge. This information is also presented in detail on the PTE website <http://www.pte.pl/>.

Given the characteristics of the current political situation in Poland, and the intransigent, sharp, political disputes between political parties, although formulated decades ago, the record of 1921, contained in the statute of the Economic Society in Krakow, remains farsighted today: “The submission of party and political disputes to the work of the Society is forbidden”.<sup>4</sup> Hence, the Polish Economic Society is an apolitical organization. This does not mean, however, that in economic matters the Society should not maintain close cooperation with representatives of the state and local governments. Such cooperation can promote the rationalization of the economy, and this is one of the main objectives of

<sup>1</sup> Henry Hazlitt, *Economics in One Lesson*, p. 20, [http://mises.org/books/economics\\_in\\_one\\_lesson\\_hazlitt.pdf](http://mises.org/books/economics_in_one_lesson_hazlitt.pdf). accessed on 3 May 2014, (first published in 1946 in New York).

<sup>2</sup> Ibid.

<sup>3</sup> William Breit and Roger W. Spencer, *Lives of the Laureates. EIGHTEEN NOBEL Economists* Cambridge, fourth edition, 2004, MIT Press. [http://f3.tiera.ru/2/G\\_Economics/GPop\\_Popular/Breit%20W.%20Hirsch%20B.%20\(eds.\)%20Lives%20of%20the%20laureates.%20Eighteen%20Nobel%20economists%20\(4ed.,%20MIT,%202004\)\(ISBN%200262025620\)\(368s\)\\_GPop\\_.pdfs/76-77.](http://f3.tiera.ru/2/G_Economics/GPop_Popular/Breit%20W.%20Hirsch%20B.%20(eds.)%20Lives%20of%20the%20laureates.%20Eighteen%20Nobel%20economists%20(4ed.,%20MIT,%202004)(ISBN%200262025620)(368s)_GPop_.pdfs/76-77.), accessed on 3 May 2014.

<sup>4</sup> Article 5 of the Statute of the Economic Society in Krakow, passed on 1 March 1921.

<sup>5</sup> <http://quoteinvestigator.com/2010/05/26/everything-counts-einstein/>, accessed on 3 May 2014.

the PTE. Hence, the PTE is a forum for debates and exchange of views between representatives of the authorities, scientists, and economic practitioners.

The debates on the PTE forum attract the attention of many institutions, including the central institutions such as the Ministry of Regional Development (now Ministry of Infrastructure and Development), the Ministry of Science and Higher Education, the Ministry of Economy, the Ministry of Education, the Ministry of Health, the National Polish Bank and parliamentarians, MPs and senators. The PTE is asked by many institutions to start or develop cooperation. This cooperation is reflected in a number of projects including expertise reports, public speeches of members of the PTE, seminars, and national and international conferences.

These actions are the result of a joint effort of all bodies of the PTE, and the result of the social work of the members of the Society. There is no way to present the full quantitative effect of the activities of the PTE, the more so as it follows from the aphorism attributed to Albert Einstein (although this authorship is problematic): “Everything that can be counted does not necessar-

ily count; everything that counts cannot necessarily be counted.”<sup>5</sup>

The PTE is still facing new challenges. Undoubtedly, much remains to be done. This applies in particular to cooperation of the National Board of the PTE with the PTE Branches, as well as national and international partners of the Society. The PTE Branches have legal personality which is conducive to new initiatives (e.g., aimed at raising funds from the EU funds) and cooperation not only with units operating within the structures of the PTE, but also outside them, especially with partner organizations. Such cooperation creates opportunities for positive synergy in the implementation of the statutory objectives of the PTE. At the same time it can promote the development of all units cooperating with our Society.

Implementation of the statutory tasks of the PTE would not be possible without raising funds for their financing. The sources of these funds were primarily:

1. Rental of rooms in a tenement building owned by the PTE,
2. Sponsors – both legal persons and members of the PTE,
3. European Union funds.

Financial resources are a consequence of a number of pro-efficiency

measures in property management and the functioning of the Office of the National Board of the PTE. These involved the intensification of business and the intensification of the work of this Office. Of key importance was the modernization carried out at the House of the Economist in Warsaw, Nowy Świat 49 – the seat of the national authorities of the PTE. The modernization not only increased the revenues from renting office space, but primarily provided higher quality service and better conditions for seminars, conferences, and other works taking place in the headquarters of the National Board of the PTE.

We hope that this Bulletin will stimulate new ideas and projects to develop economic knowledge. At the same time it will stimulate the rationalization and development of the PTE and its co-operation with various institutions and economists in the country and abroad. We hope that this Bulletin will encourage interested institutions and individuals to get in touch with us. The Office of the National Board of the PTE as well as its management and employees, and above all the authorities of the PTE presented in this Bulletin are at your disposal.



Seminar in Vlotho, August 2013, Lars Vogel, Director of the Ludwig Erhard Foundation in Bonn, Professor Piotr Pysz, School of Finance and Management in Białystok, Fachhochschule für Wirtschaft und Technik Vechta / Diepholz / Oldenburg



Professor Elżbieta Mączyńska hands out to Marek Belka, President of the National Polish Bank, the award for his contribution to the development of economic knowledge of society.

<sup>5</sup> <http://quoteinvestigator.com/2010/05/26/everything-counts-einstein/>, accessed on 3 May 2014.