

Economics and Business Review

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Editorial introduction

In the wake of new challenges such as income inequalities, populism, the rise of protectionism, climate change, the development of new technologies, demographic structure shifts and migration, the pandemic and its consequences countries and international organisations are looking for new solutions. The debates on prospective and post-liberal social and economic paradigms that would respond to these challenges have already begun worldwide. Latin America and the Caribbean (LAC) are the regions of the world characterised by the biggest persistent disparities. Therefore the new conditions of development combined with still unsolved problems create both threats and opportunities for policy-makers and chances for academics to contribute to the debate.

Against this background the leading theme in this issue of the *Economics and Business Review* papers were invited that aimed to answer the following research questions from an economic perspective:

1. What is the current macroeconomic situation of countries or regional international organisations of which they are a member and what are the factors that influence the economic development?
2. What are the most important structural problems of the economy of the country, what are the policy successes and failures? What are the strengths and weaknesses of the institutional environment supporting developmental processes in Latin America and the Caribbean?
3. What is the condition of the financial sector and what are the possibilities of accessing capital in the countries of Latin America and the Caribbean?
4. What are the relationships between education, the labour market and the competitiveness of the economies?
5. What are the prospects for social cohesion and social inclusion in particular countries and organisations?

Research findings and reflections are presented by Latin American scholars representing the voice of the economist, political scientists and analysts from the region. The authors bring insights into the discussion on questions of inequalities with the example of Brazilian approach towards social inclusion, the differentiation of income depending on the level of education in Argentinian regions and access to capital made possible through the creation of financial institutions in the LAC.

In the article “Inequality and politics in Brazil: Bolsa Familia and beyond” Ladislau Dowbor provides an analysis of one of the most well-known programmes addressed to the disadvantaged groups of Brazilian society and as-

esses how inclusive and sustainable policies work, given the barriers and inhibitors to the development. The approach is embedded in the institutional school of thought and the arguments of the paper refer also to the concepts of A. Sen, J. Stiglitz or T. Piketty who added new dimensions to the development processes going beyond economics. What is more the paper underlines the power of the global financial institutions which provides an important context for the whole analysis.

The paper “Income gaps: Education and inequality” by Julián Leone and Jorge Lo Cascio contribute to the debate on the relationships between the education and income level stressed in the theories of human capital. Using the example of Argentinian provinces the authors analyse employment-related real income gaps according to the education level reached by the working population during the years 1997–2017. A panel methodology (pseudo-cohorts) allowed the conclusion to be drawn that throughout a recession employment-related real income gaps by education level are wider and amplify income inequality and that the phenomena researched in the article are typical of a labour market structure with less skilled employment demand than its increasing supply. The authors conclude that: “Controlling by human capital endowment on the returns on education presents a collapse, showing a loss in credential valuation.”

The third article “Financial cooperation initiatives in Latin America: Conditions of origins, subsistence and eventual vanishing” presents Latin American experiences addressed to the question of accessibility of capital in the region. Elia Elisa Cia Alves and André Martins Biancarelli discuss the reasons for the involvement of the LAC countries in the Regional Financial Cooperation adopting International Relations theories on institutional construction. A comparative analysis of fourteen initiatives of financial cooperation is provided and the variables that explain cooperation mechanisms in LAC such as demand for greater participation, material and political capacity of a paymaster and macroeconomic coordination are key to their discussion.

The authors underline the importance of institutions in tackling developmental problems and allow the reader to assess, in a direct or indirect way, their effectiveness. The lack of high quality institutions is one of the main bottlenecks to economic, social and territorial development worldwide, including the regions of the Latin America and the Caribbean. Their analyses add therefore to theories of new institutional economics developed by O. Williamson as well as labour economics and economic development.

The rest of this issue is devoted to problems of universal appeal but embedded in the European context. Edyta Małeczka-Ziemińska and Anna Siwec in their article “Searching for similarities in EU corporate income taxes for their harmonization” study the economic and institutional conditioning of the deepening European integration through corporate income tax harmonization. Paweł Matuszak (“What determines the scale of state ownership

in enterprises? Some evidence from post-socialist countries”) empirically deals with the determinants of state ownership. The last, comparative article: “Efficiency of services in CEE countries—case of study of Poland and Belarus” by Elżbieta Skąpska and Ewa Rollnik-Sadowska is devoted to the service sectors in Belarus and Poland.

*Ida Musiałkowska*¹

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Aims and Scope

The **Economics and Business Review** is a quarterly journal focusing on theoretical, empirical and applied research in the fields of Economics and Corporate and Public Finance. The Journal welcomes the submission of high quality articles dealing with micro, mezzo and macro issues well founded in modern theories and relevant to an international audience. The EBR's goal is to provide a platform for academicians all over the world to share, discuss and integrate state-of-the-art Economics and Finance thinking with special focus on new market economies.

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