
Institutional Systems and Geopolitics

Submitted 10/10/24, 1st revision 25/10/24, 2nd revision 01/11/24, accepted 15/11/24

Zbigniew Staniek¹, Marek Kubiński²

Abstract:

Purpose: The aim of the article is to identify institutional changes on a global scale taking into account the existing interdependencies between the key leaders of globalisation, i.e. the US, China, the EU as well as transnational corporations. An attempt has also been made to characterise the basic features of a model institutional system in relation to the given farming conditions.

Design/Methodology/Approach: The article is theoretical in nature, however, referring to previous empirical research by the author and other representatives of institutional economics and development economics. The paper draws on research methods used in economic theory and management science theory.

Findings: Crucial to the issues raised are the relationships between institutional systems in the global economy, their intersection and their relationship with geopolitics.

Practical implications: Existing forms of cooperation within the framework of globalisation processes have led to a narrowing of differences in the levels of socio-economic development between countries — the world economy leaders. In the competition for technological leadership, the quantity and quality of human resources, the ability to mobilise capital and the creation of organisational structures (clusters) are crucial.

Originality/value: Developing the concept of a model institutional system taking into account the limiting conditions.

Keywords: Institutional system, economic models, global competition, global cooperation.

JEL codes: A12, B52, F52, P00.

Paper type: Research article.

¹Associated Professor, University of Kalisz, Poland, ORCID: 0000-0001-7443-5312, e-mail: z.staniek@uniwersytetkaliszki.edu.pl;

²Associated Professor, University of Kalisz, Poland, ORCID: 0000-0002-3886-6817, e-mail: m.kubinski@uniwersytetkaliszki.edu.pl;

1. Introduction

The basic features that differentiate institutional systems include: the types of various organizations, the dominant managerial structures, the institutions operating in particular markets, the forms of contracts concluded, the establishment and protection of property rights, the system of accepted values, the basic norms of social coexistence or the nature of the state (Aoki, 2001). These characteristics are subject to modification under the influence of technological change.

With regard to technological change, it is pertinent to highlight the following manifestations: artificial intelligence, machine learning, metaverse (integrated digital world) robotics, automation, nanotechnology, genetics, biotechnology containerization and others.

However, semiconductor and microprocessor manufacturing will remain a key element of technological progress. Semiconductors are responsible for processing data in the global economy through the use of appropriate algorithms used in computer networks. In competition, mastery of semiconductor manufacturing equipment capacity is essential³. This is the focus of obtaining and maintaining technological sovereignty, which is part of geopolitical competition.

Technological change is accompanied by corresponding institutional changes at various scales, including globally. The liberalisation of international trade and new manifestations of protectionism, the relationship between democracy and authoritarianism, increasing capital transfers, the increasing internationalisation of financial markets, the decisive role of networks, the development of global value chains, changes in international logistics, greater freedom of labour flows between labour markets, the increasing scope of economic power (with elements of political power) of transnational corporations, the importance of international security and changes in the balance of power between political actors are the most important manifestations of the effects of changes in institutional systems worldwide.

In economic theory there has been a long-standing discussion about the “benchmark market economy model” and its characteristics that demonstrate the effectiveness and efficiency of the proposed solutions. The basis for this search was mainly the experience of economies from economically developed and highly dynamic countries. Countries such as the US, China, India or countries integrated within the EU with significant economic and political power can promote their own institutional arrangements as recommendations for other countries.

³Taiwan has a particular role to play in this regard (this capability is linked to that country's security against Chinese threats). The largest chip manufacturer in the world is TSMC. What matters here is the competence of designing increasingly advanced chips, including sub-10 nanometre ones. In the European Union, ASML is one of the key players in the technological sector. However, the primary high-tech players are located in the USA.

This is reflected, e.g., in the Washington Consensus or the Beijing Consensus. The processes of globalisation and regionalisation (creation of international institutions) as well as the processes of development and operation of transnational corporations were influential here. Trends in the flows of labour and capital factors were analysed. There has also been constant discussion of the economic impact of good governance system solutions, including, e.g., the interplay between elements of democracy and autocracy.

2. Materials and Methods

The material presented here draws on the author's previous research in institutional economics, particularly on comparisons of institutional systems, their adaptive efficiency combining economic, political and social efficiency. The analyses carried out draw on the author's previous publications, especially recent ones (Staniek, 2022; Lissowski and Staniek, 2024). The concepts of a model institutional system and institutional balance are of particular importance here. The author refers to these concepts in many places in the article.

Institutions are a fixed part of any economic system. They are the element that counteracts the misuse of economic and political power of numerous economic actors, be it at company level, national level, regional groupings level such as the EU or at global level. This last level is the main focus of the ongoing considerations. At the global level, institutional underdevelopment is making itself felt, which is further complicated by the exacerbating geopolitical situation in the world. The author here uses material prepared as part of an academic lecture entitled International Business Management.

In theory, the problems of globalisation or regionalisation are discussed extensively and from different perspectives. The text presented here is an attempt to highlight the relationships and problems arising between institutional systems and the extent of economic and political power. The considerations are theoretical in nature. The author is aware of the need for empirical research in this area, which, however, requires access to a lot of material and the collaboration of a larger research team. The article presented should be seen as a research proposal for further in-depth analysis and forecasting.

In conducting the analysis, it is essential to refer to the theories that are most pertinent to the considerations being made. These theories include property rights theory, theories of regulation (positive-normative, economic theory of regulation and capture theory), theories of sustainable development, theories of the international division of labour and foreign trade, various theories of the enterprise (including the theory of the multinational enterprise) and a number of others.

The issues addressed in this article are interdisciplinary in nature, encompassing a diverse range of fields including economic theory (such as institutional economics or

network economy), management theory (such as stakeholder theory), and political science (such as political theory).

Another methodological challenge, pertinent to the analyses, is to respond to the question of the prospective evolution of the global economy and the prospects for both competition and cooperation, as well as collaboration between states and companies. Competition and cooperation are two complementary mechanisms of management, the institutional expression of which is coopetition or coopertition.

Linking international competition, geopolitical rivalry and an analysis of the benefits and costs of economic integration provides a basis for predictions about further institutional transformations in the global economy. The existing and still diverse institutional systems are subject to processes of gradual convergence, with the primary barrier to this being the growing geopolitical rivalry.

3. Results

Analyses of the functioning of various institutional systems point to the basic features of a model institutional system in market economy countries. From the analysis and literature review in the field of institutional economics, it is possible to formulate the characteristics of such a model institutional system and the conditions for its reproduction in the economic practice of a given country.

The main features of such an institutional system include:

- giving preference in the process of building institutions – organizations to solutions that foster technological progress, such as clusters or start-up ecosystems, e.g. high-tech centres such as Silicon Valley in the USA, Shenzhen in China or Bangalore in India;
- optimal proportions of private and public sector coverage according to the requirements of economic efficiency and the social preference system; joint participation in investment financing;
- taking into account the phenomena of market and state failure in individual areas of the economy in regulatory processes; avoiding situations of excessive regulation as well as lack of regulation in deregulation processes;
- regulatory solutions should take into account the varying levels of risk for individual AI systems;
- in regulatory processes, the necessary elements (security considerations) of protectionist policies should not eliminate free trade principles, and favouring the development of selected companies does not mean tolerating their conduct practices consistent with capture theory — mainly in the financial sector;
- defining the economic limits of democratisation processes in a given society with reference to the dialectic of public interest and vested interests;
- the shaping of higher-order institutional balances in relation to the overall economic equilibrium and the dynamics of development processes;

- incorporation of elements of global institutional governance into the national institutional system in adjustment to the historical and cultural factor, standardisation of contracts reduces transaction costs;
- including in institutional policies an appropriate place for institutions regulating the mechanisms of market competition and cooperation or cooptation of economic entities; sustainable achievement of a cooperative surplus;
- in institutional systems, the implementation of legal regulations combining liberal economic principles with the reorientation of the welfare state; the harmonious development of market institutions and socially controlled state institutions, the stability of legal regulations;
- institutional systems vary across the EU, although they are subject to processes of convergence linked to integration management, EU legislation (at times over-regulated) and EU policy decisions. The primary objective of this policy is to maintain a competitive edge for companies while simultaneously ensuring that environmental and labour standards are met.
- increasing the scope of sharing economy institutions, sharing of assets, resources and capital without transfer of ownership, role of renting;
- institutional strengthening for the achievement of sustainable development objectives at all levels of the economy, mandatory universal ESG reporting;
- the need for a green industrial strategy as part of sustainable development applies to all countries, which creates scope for cooperation in a globally competitive environment;
- reducing the extent of behavioural risk and uncertainty in social economic processes and the social games played between actors, optimal relations of hierarchy and networking.

It should be noted that the aforementioned elements do not represent a comprehensive list of potential standardisation features. They are theoretical propositions based on the historical experience of the operation of various institutional systems in individual countries and their effectiveness. In practice, it is difficult to compare the effectiveness of existing institutional systems with each other, as each system has spatial, geographic and historical determinants.

A fundamental condition for the possible standardisation of institutional systems is the question of levelling out the differences in existing social norms between countries. However, these norms change in the long term; in the short term, some of them may be barriers to the implementation of effective institutional solutions from other countries.

In a strengthening multipolar world, the importance of the value system as an essential component of informal institutions is growing. These values may be complementary or substitutive to the dominant economic interests. The basic dilemmas in this respect, arising from the experience of the operation of different institutional systems, include: efficiency vs. equity, elitism vs. egalitarianism, entrepreneurship (freedom) vs. welfare (sense of security), democracy vs. autocracy,

centralisation (omnipresent state) vs. self-governance, hierarchy vs. networking, egoism vs. altruism, competition vs. cooperation or dependence vs. sovereignty internationally.

4. Discussion

Institutional systems in the global economy remain diverse, although they intermingle. The global economy is most affected by institutional changes in the countries or communities of global leaders, particularly the US, EU and China. These changes are mainly the result of technological change and the associated competitiveness of countries and corporations in the world.

In the global economy, the US economy and transnational corporations with dominant US capital in ownership structures continue to play a leading role. Property rights are determined through court proceedings and a system of case law, common law derived from English law.

The norms of individual market success and entrepreneurship are widely accepted. This provides a basis for differentiating social status according to the economic effects achieved. Social differences are and will continue to increase, e.g. due to access to and use of new technologies. In the structure of the middle class we can expect a division of this class into a part of a precariat nature and a part advancing to the technological elite. This will lead to further social differentiation and polarisation of political attitudes. These attitudes reflect a growing divide over policy preferences and an increasing role for emotions and susceptibility to populist proposals.

The US continues to play a leading role in the global financial system and the international payments market. The dollar is the world's main reserve currency, reflecting the overall strength of the US economy and the country's political and military role. It has full control over all international transactions that require the exchange of other currencies for dollars.

Attempts to weaken the dollar in the global economy are reflected in a number of phenomena such as the growing role of China, the creation of alternative payment systems, the integration of countries into the BRICS or the development of the cryptocurrency market. The strength of the dollar is mainly due to the strength of the overall economy and the technological leadership in the global economy.

The essence of the US economic system is a broad space for economic freedom with a supportive role for the state. This model is based on the principles of functional hierarchy and the critical role of managers in running companies. One of the core values remains the achievement of individual economic success. The stock exchange and the capital market in general play a leading role in the financial system. Banks play an equally important role, in particular with regard to financial market

regulation. A great deal of importance is attached to the concept of corporate governance. The power of equity groups and investment banking is also growing. The labour market and labour law are highly flexible, with a clear dominance of employers' organisations over the declining role of trade unions.

At the same time, however, protectionist tendencies are on the rise in the US as a means of ensuring national security. In 2023, a regulatory package was implemented that included the CSA, the Inflation Reduction Act (IRA), the American Recovery Plan Act (ARPA) and the Infrastructure Investment and Jobs Act (IIJA). The package encouraged increased investment in infrastructure and provided matching grants and related tax credits to manufacturers producing in the US.

The increased preference for domestic companies and domestic manufacturing was also driven by concerns about the impact of breaking up existing value chains and demand constraints. The stimulated growth in investment demand has encouraged the development of domestic economic actors. For this, new markets and adequate levels of demand are needed.

This is also served by the process of relocating production from China to other Asian countries such as Vietnam and India — a country with the potential to become the next global leader. The rise in protectionist tendencies is also due to increased competition in a kind of global technology race and access to particularly sensitive data. This is particularly true of the rivalry with China and the ongoing trade war.

The related regulations concern various types of restrictions on transactions in the area of modern technology and information and communication services. The US controls a large proportion of the key nodes in the global semiconductor supply chain, including bottlenecks such as research into advanced processors, computer chip design software and chip design for developing AI.

The economic strategy is about the lack of access to these and other components for China's artificial intelligence industry. It is also about preventing economic espionage, e.g. by developing various forms of cyber security as an element of state and societal security.

China remains the US's main rival in the global economy. Whereas, economic activities are mainly subordinated to political objectives, effective competition in the global world and being its leader. Until recently, there was an "unwritten economic arrangement" that allowed China to turn its excess production (or net exports) into property rights and into annuity-type income from its US operations.

Current geopolitical considerations are driving the need to re-evaluate the existing cooptation between the two countries. The result of this cooptation has been and continues to be the benefits of the global development of new technologies, in particular artificial intelligence. In economic policy, the question of innovation,

moving away from a policy of secondary technical solutions — sometimes illegally sourced — and favouring our own innovations remains a central objective.

In China, a distinct variant of state capitalism coexists with an autocratic system of governance, with the Communist Party retaining a managerial and controlling functions. This control is exercised over all business entities, including foreign companies operating in China. The challenge of reconciling the market mechanism with the pervasive regulation of the authoritarian state remains a constant issue.

China's transition to a market economy was preceded by a series of gradual institutional changes, primarily focused on the establishment of the private sector and the introduction of gradual, market-oriented state regulation. There has been a gradual but consistent increase in the importance of private enterprise, particularly in conjunction with economies of scale.

Similarly, the bundles of property rights associated with public sector entities have also been modified. While there is a formally declared policy of a level playing field for companies from different ownership sectors, it is evident that there is still more actual support for converted forms of state-owned enterprises.

The relatively large scope of regulation is explained by “the needs of compliance with the law and moral values”. The “Communist Party ideological control” over private business is also key here. This also applies to companies with foreign ownership. The constraints on democratic processes are also attributable to considerations of limiting the influence of interest groups and the necessity to combat corruption.

The combination of state control with the operation of the market mechanism facilitates a strong openness to the ideas of Confucianism as a kind of economic ethics, namely moral governance. Confucianism advocates a programme of restoring traditional “social relationships”, respecting their historically established place within social structures. The drive to change this established order is to be driven by performance and linked to moral obligations to others. The source of morality is the family and concern for its needs. The family is the basic institution – organisation within the institutional system.

In the tradition of these thoughts, the main function of the state is to ensure the moral discipline of society. It also serves to favour “national greatness” in the value system at the expense of “individual success”. There is an apparent drive to change the hitherto prevailing world order based on liberal values and dominated by the US.

The above norms and values attest to the strong role of informal institutions in the Chinese economic model. The role of these institutions is also strongly evident in other variants of the Asian economic model, e.g. the idea of caste networking in India.

In economic policy a new development model of the so-called “dual circulation” is also favoured. It assumes a dominant role for the internal market, with global markets to be complementary. According to K. Rudd, “three priorities have been set: nationalist self-sufficiency; the protectionist idea of double dealing; and a new doctrine of redistribution in the form of a society of universal welfare”.

These priorities are to be pursued on the basis of the concept of an innovative society. The institutional expression of efforts in this regard is the operation of a high-tech centre in Shenzhen that constitutes a kind of business cluster. It is the Chinese equivalent of Silicon Valley in the US. The concept of the Belt and Road Initiative, which is a reactivation of the Silk Road, also has an important place in economic policy.

More complex is the question of the EU's role in the existing balance of power of the global economy. The EU is the most developed form of regional grouping of countries integrating with each other. These countries were and are at different levels of development. Their integration has taken place and is taking place within the changing processes of globalisation. Regional agreements are very much a form of protection against external global competition.

For companies, RUI means greater market capacity, access to technology and using economies of scale in production. Integration is facilitated by geographical proximity to partners, market capacity or the stability of the system of basic institutions. Integration forces, as it were, a gradualness of similar system solutions. It can also foster the consolidation of multiple institutions such as stock market capitalisation solutions.

The main challenge remains the question of defining the “common EU public interest” and the related dialectic of public and sub-interest. The EU public interest does not have a clear subjective representation, the EU bodies (Parliament, Council, Commission and other institutions) do not. Individual institutions – organisations express certain parties or manifestations of the public interest through their decisions. The subject matter of this interest can be distilled into two issues: security and competitiveness.

Defence security requires a common arms market and appropriate industrial and military logistics. However, it remains crucial for the EU to increase the competitiveness of individual economies as well as their economic actors. The basic tools for this are investment in innovation and new product development, which in fact affects all areas of life and which is difficult to predict. Competitiveness should be undermined by the necessary energy transition.

In order to increase competitiveness, both financial outlays and appropriate legislation within the various institutional systems are needed, with the simultaneous creation and strengthening of EU-wide institutions.

In doing so, the system of institutions should motivate effective and risky actions rather than inhibit them. Nor should it be bureaucratic in nature.

Draghi's recent report points to the need for deep EU reforms to compete with other players in the multipolar world. The technology gap with the US and China is becoming evident here. The report pays particular attention to: the need for consolidation of IT companies in EU countries, the strengthening of ex post regulation at the expense of ex ante regulation, and the creation of incentives for a greater share of online platforms in investment funding.

One of the main institutional barriers is the issue of fragmentation (i.e. different interpretations of the law in Europe). This hinders further consolidation of the single market and the strengthening of EU institutions.

For effective geopolitical competition, the fundamental problem is whether to treat the EU as a union of sovereign states (consolidating their power) or to take steps towards a greater federalisation of Europe. With this comes policy towards other global policy actors.

EU-US ties mainly concern the area of transatlantic cooperation in the context of the new China policy. Trade barriers remain unresolved. The EU has a nuanced approach to US protectionist practices. The question arises about US policy towards the EU or its individual countries. There is also the complex issue of EU-China relations. In order to mitigate risks, it is crucial for the companies of the individual EU member states to identify areas of differentiation in terms of investment destinations and possible economic cooperation.

Within the EU, there are different institutional systems, among which one can find references to the theoretical models of the social market economy, the welfare state and economic liberalism. The actual institutional arrangements in each country follow these three models to varying degrees. At the same time, new institutional challenges are emerging due to the global "technological race" taking place. Modern technology as a fundamental source of competitive advantage requires necessary institutional changes regardless of existing and historically based institutions. A kind of mosaic of "old" and "new" solutions emerges.

However, excessive scope for regulation may limit development opportunities. This applies, e.g. to excessively long implementation of innovations into business practice. It is at the commercialisation stage of innovation that regulatory barriers become particularly evident.

Specific system solutions in a country are influenced by different and changing economic conditions and the relationship with the regulatory solutions of major partners and competitors, i.e. the US and China. Related to this are proposals to change the functioning of the WTO and to relate free trade to protectionist practices.

Protectionist policies also affect the EU. This is largely due to the scale of the impact of the energy crisis caused by the war in Ukraine and the sanctions imposed on Russia. Within the EU, the approaches to further developments in state aid and its potential easing differ. State aid may be interpreted in accordance with general EU law, not national law.

This kind of aid is also seen as a response to crises and the system of state subsidies in the US and China supporting companies there. This applies, e.g., to the issue of a separate funding fund for the arms industry. This is due to both the existing industrial base and adequate fiscal capacity.

Entities with a relatively large degree of economic but also political power are transnational corporations. They serve a dual function: firstly, they are actors implementing the economic policies of their country of origin, secondly, they pursue their own autonomous interests.

Corporations are global network organisations with extensive international organisational structures, where spatial aspects of management are taken into account. Their operation takes advantage of the legal and cultural differences of each country. A number of companies are organised on the basis of hierarchical vertical integration.

There is also increasing scope for a networked economy with features of horizontal integration. In corporations, there is a constant interweaving of networks and hierarchies of varying scope and strength. IT companies are the most powerful, as reflected in various annual rankings.

Transnational corporations are a major player in global value chains. The development of new technologies favours the manufacture of even structurally complex products in-house. Numerous corporations are looking to move individual links in their supply chains closer to their headquarters. Cost competition is giving way to competition for differentiated and shock-resistant investments.

Producing locally increases the certainty of supply, which, with geopolitical threats, is essential. Production that is closer to markets can reduce logistics costs yet increase production costs. What is needed here are appropriate political decisions on the part of the states from which the corporations originate and have a certain ownership structure. MNCs are mainly driven by self-interest. Legal regulations enforce the need for companies to act almost exclusively in the interests of shareholders.

Legislation regulating the activities of corporations, e.g., with regard to the violation of various types of laws (e.g., antitrust or environmental law) and the sanctions and penalties resulting therefrom may actually serve their interests, as they are able to cover the costs resulting therefrom. At times, these costs are planned in advance and

anticipated in the financial documents. These costs have the benefit of reducing the power of competitors who cannot afford such expenses.

Corporations also seek to obtain benefits of an annuity nature, which is served by, among other things, practices such as “rent seeking”. The practice of rent-seeking, e.g., is fostered by situations such as: extensive trade policy (customs duties, concessions, subsidies), prolonged business start-up procedures, excessive regulatory instrumentality, excessive state fiscalism, a bureaucratic public procurement system, restrictions on market access or access to professions, etc.

The power of corporations is also revealed in tax avoidance — in terms of which various tax havens are also important. These havens are a form of tax competition to raise capital. Tax havens are used by entrepreneurs to transfer profits and avoid paying taxes in their home countries. Legislation is about imposing taxes on companies where they actually do business, not where their new lower-tax headquarters are located. Regulations within the OECD, the EU or international double taxation agreements are institutional tools to prevent such corporate economic power.

Transfer pricing practice is widely applicable here. The transfer prices used do not reflect the reality of the market situation. They also affect budget revenues — inflating or deflating them between countries. The appropriate regulation in this respect is the application of the arm’s length principle in settlements between entities of a corporation.

An entity should generally achieve a similar level of profitability on their sales both to customers that are its affiliates (e.g. sister companies controlled by the same parent company) and to independent buyers. When properly regulated, transfer pricing is used as a form of legal tax optimisation in companies’ tax strategies.

In general, MNCs are subject to three types of regulation: domestic state regulations (the company’s country of origin), regulations of the countries in which it operates and regulations resulting from international standards. The objectives of these regulations and their consistency are important here. Antitrust, labour, environmental and tax law regulations are of particular importance.

Regulatory differences are the basis for pursuing the partial interests of a particular corporation at the expense of general interests such as climate or security, the interests of individual countries — the well-being of their citizens. However, regulations globally lack clear, subjective identification and fully effective enforcement.

It is within transnational corporations and through the ties that bind them together (e.g., in the form of clusters) that technological development and the creation of different types of innovation takes place. They are also the ones involved in

producing desirable items and providing services, creating added value and jobs. MNCs are also involved in the implementation of the concept of sustainability, which manifests itself in various activities such as ESG reporting or corporate social responsibility. The manifestation of the possessed power of the corporation and the state of its headquarters is the distribution of the benefits of the activities undertaken.

5. Conclusions

Existing and changing institutional systems have a decisive impact on the changing economic and political power relations of the basic poles of global competition and cooperation processes. The contemporary international order is a multipolar world, in which a fundamental rivalry or even a trade war between the United States and China is a significant feature. Competition between the two powers also manifests itself through third countries, with a particular role for EU countries (e.g., the strong links between the German and Chinese economies) and the EU as a whole.

In processes of new geopolitical relations, global value chains are increasingly being replaced by regional ones. There is a process of shortening them and reducing fragmentation. However, it does not appear that the revival of economic cooperation within regions has been able to fully compensate for the inhibitions in global supply chains.

A similar situation exists with regard to foreign direct investment, the importance of investment flowing within regions or regional integration groupings is increasing. In international trade, the share of intra-regional trade is increasing at the expense of inter-regional trade. The regions of the world will be defined by cultural circles with different systems of accepted values.

Acceptance of certain values determines the scope of application of the recommendations of the Washington Consensus and the Beijing Consensus. The implementation of the Washington Consensus solutions has not led to a “singular universal market economy model” in a democracy. The recommendations of this consensus did not take into account the existing relationship “institutions and the level of economic development” and the existing feedbacks between the level of development and the quality of institutions.

A higher level of development promotes more efficient institutions and, at the same time, the more efficient the institutions, the higher the level of development. Countries at a lower level of development have less institutional capacity. Problems with institutional capacity also affect countries associated with the implementation of elements of the Beijing Consensus.

Existing forms of cooperation within the framework of globalisation processes have led to a narrowing of differences in the levels of socio-economic development between countries — the world economy leaders. Nowadays, it is a question of

consolidating and possibly extending the positions held both economically as well as politically and militarily. The actual and potential competition to achieve individual goals concerns leadership in the sphere of cutting-edge techniques and technologies with high R&D input and widespread economic application.

In the competition for technological leadership, the quantity and quality of human resources, the ability to mobilise capital and the creation of organisational structures (clusters) are crucial.

References:

- Acemoglu, D., Robinson, J.A. 2014. *Dlaczego narody przegrywają. Źródła władzy, pomyślności i ubóstwa*, Poznań: Wydawnictwo Zysk i S-ka.
- Acemoglu, D., Robinson, J.A. 2013. Economics versus Politics: Pitfalls of Policy Advice. *Journal of Economic Perspectives*, 27(2).
- Aoki, M. 2001. *Toward a Comparative Institutional Analysis*. Cambridge Massachusetts: The MIT Press.
- Bardo, M.D., James, H. 2022. Trapped in the Trilemma. When security trumps economics. NBER Working Paper, 30506.
- Borzym-Grzesik, K. 2022. *Analiza skuteczności prorynkowej polityki gospodarczej Indii. Znaczenie czynnika historycznego, rozprawa doktorska*. Warszawa, Kolegium Zarządzania i Finansów SGH.
- Ideologia.pl. Chiny na Drodze od Imitacji do Innowacji, online: <https://ideologia.pl/chiny-na-drodze-od-imitacji-do-innowacji/>.
- Dahl, M. 2015. *Niemiecki model społecznej gospodarki rynkowej jako wzór dla polskich przemian systemowych po 1989 roku*. Warszawa, Dom Wydawniczy Elipsa.
- Dodds, K. 2022. *Geopolityka*. Oxford University Press, Łódź: Wydawnictwo Uniwersytetu Łódzkiego.
- Draghi, M. 2024. The future of European competitiveness – A competitiveness strategy for Europe, 9 September 2024, online: https://commission.europa.eu/topics/strengthening-european-competitiveness/eu-competitiveness-looking-ahead_en.
- Barnett, M.N., Pevehouse, J.C., Raustiala, K. (eds.). 2021. *Global Governance in a World of Change*. New York and Cambridge: Cambridge University Press.
- Gorynia, M. 2021. *Przedsiębiorstwo w biznesie międzynarodowym. Aspekty ekonomiczne, finansowe i menedżerskie*. Warsaw: Wydawnictwo Naukowe PWN.
- Góralczyk, B. 2019. *Wielki renesans. Chińska transformacja i jej konsekwencje*. Wydawnictwo Akademickie Dialog.
- Gross, G. 2020. *Paliwo dla dominacji. O ekonomicznych podstawach supremacji geopolitycznej*. Instytut Studiów Politycznych Polskiej Akademii Nauk.
- Guillen, M. 2021. 2030. Jak ścieranie się najwyraźniejszych dzisiejszych trendów przekształci przyszłość wszystkiego. Warszawa: Studio Emka.
- Halizak, E. 2016. *Gospodarka Chin. Między rynkiem a państwem autorytarnym*. Rocznik Strategiczny 2015-2016.
- Halper, S. 2010. *The Beijing Consensus: How China's Authoritarian Model Will Dominate the Twenty First Century*. New York, Basic Books.
- Herrmann-Pillath, C., Hederer, C. 2023. *A new principles of economics. The Science of Markets*, Routledge.

- Lissowski, O., Staniek, Z. 2024. Wybrane zagadnienia instytucjonalne zarządzania i ekonomii w kontekście zrównoważonego rozwoju. Kalisz: Wydawnictwo Naukowe Uniwersytetu Kaliskiego.
- Mazzucato, M. 2024. Przedsiębiorcze państwo. Obalić mit o relacji sektora publicznego i prywatnego. Warszawa: Wydawnictwo Ekonomiczne Heterodox.
- Poznański, K. 2018. Konfucjanizm jako ekonomia moralna. Człowiek i Społeczeństwo, vol. XLVI.
- Rodrik, D. 2012. The Globalization Paradox: Democracy and the Future of the World Economy. WWNorton&Co.
- Rodrik, D. 2018. Straight Talk on Trade: Ideas for a Sane World Economy. Princeton University Press.
- Rudd, K. 2022. The Avoidable War. The Dangers of a Catastrophic Conflict between the US and Xi Jinping's China PublicAffairs.
- Staniek, Z. 2022. Institutional management versus economic growth factors and equilibrium problems. European Research Studies Journal, 25(3).
- Tylec, T. 2019. Konsensus pekiński – chiński model rozwoju. Prace Naukowe Uniwersytetu Ekonomicznego we Wrocławiu, 63(8).
- Viola, L. 2020. The Closure of the International System: How Institutions Create Political Equalities and Hierarchies. New York and Cambridge: Cambridge University Press.
- Walkowski, M. 2017. Chiński model rozwoju społeczno-gospodarczego i jego potencjalna adaptacja w Europie. Przegląd Strategiczny, 10.
- Williamson, J. 2002. Did the Washington Consensus Fail? Institute for International Economics. <https://piie.com/commentary/speeches-papers/did-washington-consensus-fail>.