
Introduction

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Biographical notes: Bruno S. Sergi is with the University of Messina and the University of Greenwich Business School. He has taught international classes and has been Adjunct Professor and Guest Lecturer at universities and central banks' research departments in several countries around the world. He has a long-standing interest in economic theory, transition economics and international economics. His expertise in analysing economic theory, especially in unstable political contexts, has led him to publish numerous scholarly articles and books. He works with several scientific journals as either an editor or a member of the editorial board.

It is my great privilege to welcome you to the first, inaugural issue of the *International Journal of Economic Policy in Emerging Economies*. This new quarterly journal – by Inderscience Publishers – throws in the community of academics and professional journals to explore the momentous field of study concerning the economic policy in emerging economies, especially East-Central Europe and China. Given that the area of economic interest of post-communist Europe and Asian countries is increasing and even becoming considerable in the world economic view, it is worthy to commence a new international journal. We have designed the *International Journal of Economic Policy in Emerging Economies* for the academia, on the one side, and professionals and the educated reading public, on the other side, thus welcoming new segments of readers. There were several motivations for such a journal being written by academics but readable by policymakers and professionals as well.

With this ample reading target in mind, the *International Journal of Economic Policy in Emerging Economies* combines mathematical formulae, economic terminology and applied research methodology with a straightforward approach enough to not baffle non-specialists. We were well aware of the need to fill a gap between academic and non-academic readers. We focus a coherent, single and accessible source of information as regards the even mounting area of research under consideration and, above all, appreciating the transition process from beginning to end.

The *International Journal of Economic Policy in Emerging Economies* is a natural consequence of in-progress research and policymaking concerning economic subject as they apply to a proper, pragmatic comprehension of the economic transformation. No doubt, these economies have become one of the foremost topics of discussion in academic circles after the fall of the Berlin Wall in 1989 or even earlier if we go back to Mikhail Gorbachev's *perestroika* and *glasnost* or to the economic transformation launched in China during the late 1970s.

With the help of excellent and outstanding researchers and experts who will share this new scientific adventure, we now officially pioneer research and related output, which should allow all readers to reach an added crucial goal relevant to the progressing growth in economic literature. Our primary endeavour is to address identifiable topics of relevant importance and the exact impact of economic policy overall, which are generating interest in very diverse audiences. The research output that we present here will have intense practical interest and usefulness for readers of all kinds, providing rational answers to questions involving emerging economies, as well as enlightening further degrees of research and spurring ongoing debate among scholars.

Specifically, the *International Journal of Economic Policy in Emerging Economies* aims at revealing a more clear-cut analysis as regards the evolution of the economic policy in all the emerging countries of Europe and the specific Chinese context. Straightforwardly, this new journal's ambitious programme is to acquaint readers with an account of economic and business transformation in emerging economies. Particular focus will be on the dynamics and implications of radical and non-radical change, how these changes are having profound impacts on societies and the interactions with national governments' economic strategies.

With respect to our point of reference, our papers should offer unambiguous answers and inspire new areas of research through extended and detailed evaluation concerning the consequences of business and economics activities. We are all aware that economic strategies have intended and unintended consequences upon the population, business and economic events. This journal should inspire research and careful, thorough and consistent reading of these arguments, which emanate and evolve due to a general call for answering still-lingering questions regarding what really is happening at several levels of emerging economies.

In reality, these economies are inextricably linked to business and economics, as both impact and influence each other at all times throughout any development process. One cannot simply assume that a process of socio-economic development will ever be full of the perfect balance between needs and interests. Because it is by any means impracticable to create just right development blueprint both meeting needs of the populations and their governing politicians, while claiming scientific validity. To make such a claim, any attempt by any group of reformers at any stage of a transition development process must invite deep suspicion and scepticism on the part of all readers. Following the credence that liberalisation, stabilisation and privatisation would have worked for prior paternalistic, communist-type governments, and that better specified sequences and more social-domestic targeted options could ease the transition and facilitate a more effective recovery process. Finally, certain Western economists recognised to have been overly optimistic in previous predictions of economic recovery and to advance criticisms concerning the methodology of policies that have been applied in the 1990s. The cost of the transition was so high that small private garden plots supplied income to a large part of the Russian population during the worst of the economic crisis.

Perhaps, the failure of some reforms was not avoidable because the transition was very demanding. However, compelling a Washington Consensus type, oversimplified approach and a forceful macroeconomic stability has been an obsession cultivated by certain academic circles. If macroeconomic stability and the credence that Western economic principle would have worked for the betterment of newly market economies quickly, painlessly and without producing absurd social destruction, this credence proved

wrong. The proper timing and sequencing of reforms carried some weight, but several involved actors failed to act resolutely and with wisdom. The commitment to establish an acceptable base for ethical behaviour had to prompt a set of policies aimed at achieving economic and financial stability and providing adequate economic resources to poor populace in the first instance. Tackling inflation and unbalanced public finances, promoting trade liberalisation, creating governance and strengthening financial systems contrasted in its realisation with economic and political rationalisations. Political economy explanations required a simple ethical validation. Concrete, substantive concerns about economic risks did matter and demanded fair market stability instead.

Western experts started reflecting seriously on poor population and ugly economic achievements only late in the game. The wrong business logic pervaded economic advice and economic principles during the 1990s and it was assumed to be aware of best strategies and policy choices for everyone. In the light of this mounting discussion, the West threw its weight behind reforms but in a way that did neither benefit the countries overall during the early transition process nor give greater positive economic impact to common people.

In this context, academics argue that the speed of reforms did not matter in explaining the poor performance in transitional economics. Although some argued that transition could be a clean break to wipe out corrupt practices, with measures that could take place almost instantaneously; but we finally recognised that prognoses concerning the leeway to have a painless transition were wrong and that our expectations have been overly optimistic.

Consequently, the unique effort regarding this new academic journal is to look into unjustified optimism and if the transition process in East-Central Europe that came with a large decrease in output should be seen as an enigma. After all, economists were simply expecting that removing the myriad of distortions, or most of them, could lead to a large increase in gross domestic product. Yet, the dramatic development failures that have consistently been witnessed in most post-communist countries can no longer be called natural errors in the learning process concerning structural development. This overused mantra has now lost all sense of credibility, not only with the public but frequently with policymakers as well. In Europe, for example, what will the impact of economic and political integration be on the less-developed economies of East-Central Europe and the more advanced economies of the current European Union club?" What has driven states from both West and East to seek and agree to the European Union's enlargement process? The European Union's bargaining process could make the distribution of benefits from this integration uneven. Thus, the degree to which the less-developed East-Central European countries will benefit from this arrangement should be addressed carefully.

To make sense of all this, even the non-academic reader is in the hands of true experts from many varied countries and related regions, thereby offering readers true expertise in several difficult, technical and traditionally confusing areas of emerging economies' realities. The skill of articles to intermingle technical realities with reference to the impact that economic policy wields on the developmental process separates the *International Journal of Economic Policy in Emerging Economies* from all others.

At the same time, each of our articles will carefully appreciate and discuss the forces affecting the economic development process in newly emergent economies. For those of us involved in the planning stages of this new journal, it has been a taxing yet wonderful experience staying in contact with editorial board's members and

prospective contributors, exchanging opinions and assessments, readings, sources and suggestions. These activities and efforts have been, and are devoted to enhancing our growing confidence concerning what will be expressed and explored in this inaugural issue and those that will come in the following issues.

This journal's writers will uniquely direct knowledge of the ever-evolving transition process and with that let all our readers begin a thoroughly new, extremely credible journey into the newest realms of economic realities in the emerging economies. Enjoy the journey in these pages and I wish you good reading.