POLAND'S 'NEW ECONOMIC MODEL' IGNACY SACHS*

I should like to start by a short incursion into semantics. Does such a thing as Polish 'New Economic Model' exist? At least one eminent Polish economist Mr. E. Szyr is of the opinion that it is improper to speak of Poland's new economic model, as the model remains the same, namely, it is the socialist model of economy, and only the organisational pattern and the system of management are being changed. On the other hand, there is not much in common between the use we make in Poland of the word 'model' in the context of our discussion and of the notion of model in mathematical economics, which to be consistent must have a number of independent equations equal to the number of variables. Nor is it even a model with 'open ends'. For us the discussion on the model is a wide discussion on the appropriate way of organising the planning and the management of economy without departing from the fundamental features of socialist economy, such as: the national ownership of socialist enterprise, the principle of basing the entire economy on a national plan capable of ensuring to the community the possibilities of determining the trends and the speed of the development of its economy, and the need for socialist reconstruction of agriculture. At the risk of opening a new semantic discussion, I should venture to say that the debate on the model centres mainly on the 'subjective factor'. Or, if one admits with Prof. Lange the distinction among four types of objective economic laws: general laws of social development, which operate in all social forms (for instance, the laws of production and reproduction), laws which operate in more than one form (for instance, the laws relative to commodity production), laws specific to one mode of production, (for instance, the law of capitalist production), and finally, laws which are not connected with the socialist or capitalist mode of production as such, but result from the particular type of superstructure of the management of the economy and which, therefore, change whenever the organisation and managerial superstructures change, I should say that the discussion on the model consists mainly of a search in this fourth type of laws.

But, the very fact of searching for new forms of management is, so to say, objectively determined. It is the belief of leading economists of my

^{*} The author is the Second Secretary of the Polish Embassy, New Delhi, and formerly a member of the Research staff, Polish Institute of International Affairs, Warsaw. This article was the basis of a talk delivered by him, at the Gokhale Institute of Politics and Economics, on December 9, 1958.