

Reviews – Polemics

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PRZEMYSŁ SPOŻYWCZY W POLSCE.
NOWA ŚCIEŻKA ROZWOJU
(FOOD INDUSTRY IN POLAND.
NEW PATH OF DEVELOPMENT)

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There are many books published on the broadly defined economics of the agri-food sector. All of them, to a different extent, contribute to knowledge which is constantly being extended both in theoretical and cognitive as well as illustrative and empirical terms. Some of the publications have a greater share than others, some of them remain unnoticed as it were, while others are recognised. The monograph reviewed here is one of the papers which are noteworthy. It is a well-structured classic monograph which presents the sources and mechanisms of development of the Polish food industry. The subject area suggests a deductive approach, although the paper also uses a more inductive approach in which generalisations are derived from the empirical analysis which is very synthetic, and thus communicative. The empirical illustrations, which are correct in methodological terms (methods are not larger than a problem), are in a proper relation to the discussed regularities of a path or mechanism of development of the food industry. The basis for empirical illustrations is the results of author's own research and in each chapter they are used to illustrate or verify the issues discussed.

According to the reviewer, the food industry in question is a component or branch of the broadly defined agri-food sector and is presented as such in the paper. Moreover, the approach adopted in the paper classifies it as part of mesoeconomics. It is assumed that this term does not refer to analysing mechanisms of behaviours of individual micro-economic entities, hereinafter referred to as processors, or food industry businesses, but instead refers to the food industry as a branch, as a whole. This is in line with the traditional division of agricultural economics and food industry into the economics of farms and the economics of agriculture. On the other hand, agricultural economics and food industry are part of the agri-food sector or food economy.

Each scientific book which is published should be assessed from the angle of the following questions: How does it contribute to the current state of knowledge? What cognitive gaps does it fill? Does it present a new approach and new aspects? Does it lead to a synthesis (or maybe creates a new one)? Although these questions are only given by way of example, they are quite cross-sectional, and the answer to them allows us to assess each scientific book, also the one presented here. Naturally, this applies to a given discipline and a given scope; in this particular case it is the economics of the agri-food sector. In the reviewed book, readers will find affirmative answers to these questions to a greater or smaller extent. However, it is an extensive and multi-faceted study, which is strongly based on the literature, verified and illustrated empirically. Nevertheless, reading the book and searching for answers to these questions requires some effort. The study is divided into six extensive chapters, which are logically structured, focusing on the development in modern and predictable, domestic and global economic as well as other conditions such as spatial conditions (which could also be regarded as economic conditions). Each chapter could also be a separate study. The approaches are quite detailed and the whole paper seems to be ‘overloaded’, as it involves many conditions, regularities and mechanisms, sometimes without using the method of reductionism. This also concerns the excessive and extensive literature, which does not always consist of primary sources or sources which contain obvious contents. This results from the adopted descriptive and partially holistic approach, which may also be described as a method dominant in reasoning in the book being reviewed. It does not mean that the author is not familiar with the quantitative or formal and mathematical approach. This is evidenced by the very good use of the properly estimated Cobb–Douglas function for the precise analysis of the development factors of the Polish food industry in the years 1995–2015, as described in chapter four. In the same chapter, as opposed to the other chapters, the analysis refers to food industry businesses. In this chapter, the analysis is carried out in line with neoclassical economics which the reviewer is clearly familiar with.

As mentioned before, each fairly extensive chapter, despite forming a logical whole, can be regarded as a complete monograph. The logic of the whole book and of the individual chapters is presented in the very well-structured introduction. The analysis refers to the organisational and ownership as well as functional and spatial structures, in terms of internal conditions of the development of the food industry. On the other hand, as far as external conditions are concerned, the reference point in the analysis are the following aspects: European market integration and competitive environment; industry specialisation; new opportunities for raw materials, disposal and capital acquisition.

This system of conditions may rightly form an axis of reasoning in determining a new path of development of the food industry in Poland. The description of functions of the food industry in the market economy or its social functions seems to be less important and fairly obvious. The spatial function is interesting, but is it really different enough to determine the nature of agri-food sector when compared to other industries? Especially since, as it seems, the author tackles too many problems here, e.g. the issues of impact on the agricultural landscape. A very synthetic quantitative illustration is a good introduction to the analysed problem.

With regard to the economic base of the food industry, in the pre-accession period of transformation, the agricultural situation as a basic raw material source is highlighted, with the prevalence of private ownership, relatively low production costs and high quality properties (e.g. resulting from the lower use of chemicals) of this raw material. In this context, the food industry, which is presented as an advantage, neglected, however, the problem of developing the contracting system, the issue of quality and punctuality of deliveries, which, as we may think, still leaves much to be desired. In fact, the major objective in the food industry was, as pointed out by the author, to fill the technological gap, introduce innovation and improve competitiveness. It is probably a correct diagnosis, but could it have been different? We can also find here synthetic empirical illustrations regarding result values with the use of smoothing linear functions and interesting references to structural changes in the food industry *ex post*, which is regarded as a condition for future changes.

The fundamental issue regarding the conditions for the functioning and development of the Polish food industry is raised in chapter two and the chapters that follow. Chapter two is structured as a typical diagnostic study identifying the conditions for the development, which are not always obvious, and could form a separate monograph. The chapter outlines the position of the Polish food industry in the EU food industry and of the food industry in the total EU industry. It demonstrates the growing share of the food industry in value added and in employment, which may seem surprising. The economic situation in agriculture was correlated with the functioning of the food industry, without resorting to questionable issues of taking over surplus. It is a pity that the author's own research on processors' opinions concerning the conditions has not been highlighted. This refers, in particular, to the lack of interest in contracts which is consistent with the initial assumptions and is important for solving today's problems related to the functioning of the agricultural raw materials market. The impact of foreign trade on the development of the food industry has been presented according to high scientific standards and using appropriate indices (e.g. comparative advantages). Naturally, the benefits of membership in the common market used for the export success of this industry are shown here. Other authors are widely quoted. Similarly, the impact of foreign direct investments (also EU funds) on the development of the food industry is presented, but it could have been emphasised more as it is clearly an important matter. Nevertheless, this aspect is presented synthetically in Fig. 3.15. The production techniques and technologies were discussed superficially, although this topic is indirectly mentioned in other chapters, and these techniques and technologies are decisive factors in determining the competitiveness and modern offer of the industry.

Chapter four is devoted to a typical analysis of production factors and conditions of the food industry, such as the internationalisation of businesses. This notion is conceptualized through many opinions from the literature, which are in fact identical to each other and quite soft, hence they lack critical verification and an attempt of empirical illustration. Other important, but rarely discussed, conditions for the development of the food industry, such as public services, activities of public authorities, local climate for economic activities, are properly defined in empirical and illustrative terms, yet are not properly emphasized in the text. The empirical aspects of the impact of the factors and conditions supporting or limiting the development of the food industry, which were collected from author's own surveys, were neither stressed in the text nor given enough attention. The reviewer naturally realizes that at the end of almost each chapter the results of the author's own surveys are to some extent discussed in the context of the issue raised in the chapter. Nevertheless, the results should be emphasised more strongly in the text. The issues of resources in the industry are presented synthetically and communicatively in terms of production capital (the results of the author's own surveys are also presented, however, they have been given insufficient attention) and, which is a new approach in terms of raw materials. In conclusions, the author uses the above-mentioned production function properly.

Competitiveness is a recurring aspect in the book, which is reasonable, as it is a hallmark of the food industry to some extent. It is also separately discussed in chapter five. However, this chapter slightly varies from other chapters. It identifies questionable and not always obvious problems. These are often issues which are difficult or even impossible to measure. Nevertheless, the author, at the end of each issue, makes a reference to the results of his own surveys (and the other way round). These are relatively new issues, e.g. relocation and reconversion and above all issues such as smart specialisations. This is a 'trendy' phenomenon, which was presented in the book in definitional and conceptual terms, and also in classification terms in Table 5.1. The concept is not very convincing, despite being documented in literature. By analogy, we can also refer it to the issue of innovativeness as a development factor. This is also a 'trendy' issue, yet the author presents it quite neatly, by referring it to the results of his own surveys, i.e. the opinions of businesses on the development factor. In fact, it comes down to investments, entities involved in investments and reasons for their potential non-implementation, as presented synthetically in Tables 5.7-5.8.

The author's references to the directions of development of the food industry in Poland in the years 2014-2020 are of great importance and to some extent they synthesize the considerations around the path of development as their axis. It seems that based on this in-depth recognition of the state and mechanisms (development factors and conditions), this perspective should be longer. Nonetheless, the reader will find here new, original issues, although the author excessively invokes the literature, even if it does not contribute significantly to the discussion. Moreover, this means that for example the borders between the positioning and competitiveness of the industry in foreign markets are not always clear. That is a shame, as the presentations made by the author, are more interesting and innovative from a scientific viewpoint. The reviewer agrees with the assumption that the basis for the competitiveness of food products will be strengthened, as it is not based on relatively low prices of raw materials and processing, but more

and more often on the quality brand being built. Similarly, it is processed food products, not raw materials, which can be a basis for a strategy in the nearest future. With regard to innovation presented in in this perspective, the author adopted an interesting method of referring to cases, in particular in relation to business models. According to the reviewer, this is by all means an appropriate approach to such a fuzzy concept as innovation and its identification in the literature. The author's comments on strategic management in the food industry ought to be deeply appreciated. In fact, the conclusions from the book refer to the highlighted perspective, as well as author's own academic knowledge. This part (the end of chapter six) includes too many reflections on the perspective; the author highlights the issue of bankruptcy or risks of insolvency. These are slightly different issues from those discussed in the previous chapters.

In the light of the questions raised by the author, the reviewer positively evaluates the book. It is an advanced comprehensive assessment of the state and, primarily, an attempt to determine the mechanism of the path of development of the food industry in Poland. External and internal development conditions and factors are identified. Above all, their impact on the development is described. Interestingly enough, the book is written from the viewpoint of a university scientist in a somewhat general way, despite delving into problems specific to the industry economics and thus being detailed and practical to some extent. In this sense, this is a new approach, and, to some extent, new synthesis and basis for references to other publications on this subject.

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