

The state capitalism, its meaning and the efficiency of state-owned enterprises has been discussed since the 1990s. The main object of interest with this respect has been primarily China, where state-owned enterprises play a significant role in the country's economic model and the GDP in the last 25 years has grown, on average, by nearly 10% annually. On the other hand, the processes of privatisation of state property in the transition countries of East-Central Europe have been the subject of research.

Since the beginning of the 21st century, in different economies we have observed changes in the state sector. This novel dimension of modern state capitalism may be characterized in the following way:

1. State-owned enterprises change their character: from the one oriented mostly on the domestic market and of average efficiency, to the one active on international markets and of high/growing efficiency. These enterprises compete with their private counterparts for resources and customers both on domestic and foreign markets. This process has been best visible in the BRICS countries (Brazil, Russia, India, China, and the USA) and in countries which are crude oil exporters. All of them concentrate on creating national champions.
2. Highly developed countries in the periods of significant economic difficulties strongly support collapsing enterprises and even bailout them. A great example was the great recession of 2007-2009 when financial institutions (e.g. AIG, Fannie Mae and Freddie Mac in the USA) or automotive enterprises (e.g. General Motors) were saved by the governments of their countries.
3. National governments increasingly use a variety of solutions to support the competitive advantages of state-owned enterprises, such as: concealed subsidies, government purchase, exclusive licences, or other forms of state protectionism. Such policy, which limit free competition to a certain extent, is a result of the liberalisation of trade and financial flows within the WTO.

The main reason to undertake the proposed research are described above changes and the increase in the economic significance of state-owned enterprises on the global market. This is confirmed by the growing number of state-owned enterprises on the world lists of the largest enterprises, mergers, takeovers, and transnational corporations. For example, on the Forbes Global 2000 list in 2011 there were 204 such enterprises, including 70 from China and 9 from Russia. UNCTAD in 2010 identified 650 non-financial transnational state-owned corporations, 19 of which were on the list of 100 greatest corporations with respect to the value of foreign assets (these were mostly enterprises from France but also from Germany, Italy, Sweden and other countries). We can also observe a growing significance of sovereign wealth funds (mostly from Norway and Russia).

The research problem in the projected study is the question of modern state capitalism's direction of the development, as well as the efficiency of state-owned enterprises in post-socialist countries of East-Central Europe in the 21st c. For the purpose of the projected study, adducing I. Bremmer's (2009) definition, modern state capitalism is understood as a system in which the state operates as an important economic entity, being (to a varying extent) a shareholder in enterprises and using markets (the domestic and the international one) for political gains. At the same time, such capitalism does not infringe - theoretically - on the market mechanisms, either in the domestic or in the international scale, although it may limit free competition (by favouring by the state its own enterprises).

The scientific aim of the project is to evaluate the business efficiency of state-owned enterprises in 13 post-socialist countries of East-Central Europe and to identify the determinants of this efficiency.

The thematic scope of the analysis includes state-owned enterprises conducting business activities in which direct or indirect share of the state in ownership structure is not less than 25%.

The geographic scope includes post-socialist countries of East-Central Europe, i.e. Poland, Belarus, Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Romania, Russia, Slovakia, Slovenia and – for the sake of comparison – also China, selected countries of Western Europe, and Brazil.

Pursuing the main goal takes place on two levels of the analysis: (1) macroeconomic, i.e., determining the extent of state ownership of enterprises, the systemic and political goals pursued by the state, and the impact on the efficiency of these enterprises; (2) microeconomic - the analysis of SOEs' efficiency in the following areas: financial indicators, ability to compete on international markets (export, foreign investments), corporate governance, innovativeness. In both of these dimensions, the obtained results for an individual country will be compared with the results obtained for other countries.

The following research hypotheses are formulated in the project:

1. The development of modern state capitalism depends to the greatest extent on: the quality of the state institutions, the size of the national economy, the level of internationalisation of the country, initial conditions in the transition countries, natural resources.
2. Modern state capitalism is characterized by different attributes depending of the region.
3. The form of ownership does not determine the efficiency of an enterprise.
4. The business activity of state-owned enterprises and their management team is subject to the election cycle.
5. State-owned enterprises operating on international markets are more efficient than their counterparts from the private sector due to the support they receive from the state.
6. In some circumstances, the tendency of state-owned enterprises to enter international markets (export, investments) is higher than in the case of private enterprises due to the support they receive from the state.
7. The efficiency of state-owned enterprises varies depending on the sector in which they operate.

In order to identify SOEs in the countries of East-Central Europe the following sources will be used: lists published by respective ministries of State Treasury of particular countries, Amadeus and Orbis databases of enterprises. The obtained list of enterprises will constitute the basis for the analyses to be conducted for particular countries and for international comparison. A new database will be created including the following data: ownership structure, financial data, corporate governance, employment, internationalisation of enterprises. The evaluation of the position of state-owned enterprises on international markets will be conducted for these entities on the list which are additionally listed in one of the following rankings: Global Forbes 2000; "CEE Top 500", published by Coface Ranking; lists of the largest domestic enterprises published in particular countries.

The qualitative methods to be applied include: the lists of state-owned enterprises (published by the respective ministries of particular countries), the lists of the largest enterprises in a given region/country, the analysis of documents (national legal acts, reports on privatization processes, economic and sectorial policies), the analysis and critique of scientific works (in the fields of

economy, political science, transition countries), and a case study. The quantitative methods, apart from those characteristic for descriptive statistics, will include discriminant analysis and data clustering tools, as well as the following econometric models: linear regression, logistic regression and panel data models.

The innovative character of the proposed research involves: assessing and comparing the scale and attributes of modern state capitalism in 13 post-socialist countries of East-Central Europe, conducting comparative research of state-owned enterprises' efficiency, determining the internationalisation of the largest SOEs from analysing countries. The research may bring significant results as far as the state policy with respect to the efficiency of state-owned enterprises is concerned. It should not be expected that governments resign from their shares in state-owned enterprises. Therefore, it is important to create conditions conducive for the efficiency of all enterprises, so that free competition is not limited and state-owned enterprises are not privileged. The research outcomes are expected to answer a question, whether the modern state capitalism of the 21st century is a new model of global economy, the next stage in economic development, or just an incidental effect of the great recession of 2007-2009.