

From the Editors

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We have the pleasure to present the fourth volume of the *Polish Yearbook of Law & Economics*. The collection presented in this volume encompasses articles from various areas of Economic Analysis of Law, selected on the basis of an additional review process from papers presented at the 30th Annual Meeting of the European Association of Law and Economics (EALE), which took place at the University of Warsaw on September 26–28, 2013. The conference, organized by the Polish Association of Law & Economics (PSEAP) in cooperation with Centre for Economic Analyses of Public Sector (CEAPS) at the Faculty of Economic Sciences of the University of Warsaw and the Warsaw School of Economics, brought together more than 200 scholars from 25 countries, including a vast representation of Polish researchers.

This fourth volume of the *Polish Yearbook of Law & Economics* contains three sections: *Featured Article* with Leszek Balcerowicz's paper on "Economic Freedom: Fundamentally Important and the Most Attacked"¹; *Articles* with five papers presented during the above conference; as well as an *Applications* section devoted to the topic of Regulatory Impact Assessment viewed from the perspective of Law and Economics.

Leszek Balcerowicz's "Economic Freedom: Fundamentally Important and the Most Attacked" provides an in-depth account of the notion of economic freedom – from conceptual foundations and clarifications to the discussion of its effects and, in particular, the consequences of the lack of economic liberty, i.e. various statist regimes. The author, being the architect of Poland's

¹ Leszek Balcerowicz presented a keynote lecture at the conference entitled "Institutional Change after Socialism and the Rule of Law". However, the author decided to submit his recent essay on economic freedom to the current edition of the Yearbook.

early transformation from socialism to the market economy, formulates the ‘economic freedom paradox’, emphasizing this freedom’s particularly important consequences for millions of ordinary people, while at the same time arguing that it is the most attacked liberty under democratic capitalism. He illustrates the presented argumentation with examples from numerous countries, including socialist and post-socialist Central and Eastern Europe.

The subsequent articles focus on topics falling within five important areas of Law and Economics: (1) contract law – with Ejan Mackaay and Alain Parent’s economic view on the civil law institution of suretyship; (2) financial and banking law – with Paolo Maggioni’s analysis of 19th century British banks and discussion whether markets rewarded equity holders in the case of unlimited liability regime; (3) the nexus of intellectual property law and competition law – with Iacopo Grassi’s study of the effect of piracy on the ability of firms to collude in a vertical differentiated oligopoly; (4) tort law – with Matías Irigoyen-Testa’s considerations on the potential introduction of punitive damages insurance for cases of direct liability; and (5) constitutional law and economics represented by Jurgen Goossens’ study of federalism and decentralization with regard to the judiciary. The theory and empirical results presented in these papers form the basis for policy recommendations, usually not limited to countries specifically studied by the authors (e.g. Argentina, Belgium) but of more general applicability.

The final section of this volume deals specifically with application of Economic Analysis of Law in the field of Regulatory Impact Assessment (RIA). The content of this section is based on a panel discussion on this topic conducted during the 30th Annual Meeting of the European Association of Law and Economics. The following scholars and practitioners contributed to the discussion: Andrea Renda, Daniel Trnka, Alberto Alemanno, Jarosław Bełdowski, and Anne van Aaken (moderator).

Having very briefly presented the contents of the volume we leave the Reader to explore the subsequent chapters in more detail.