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Assessing State Support for the Development of International Economic Cooperation: a Case of Polish Trade Support Institutions' Export Recommendations for Turkey

Abstract: In times of increasing significance for national policies which support international economic cooperation, a special role is played by state trade support institutions (TSIs). This paper investigates whether such TSIs can be said to operate effectively, through an analysis of one essential element of the support provided to domestic entrepreneurs, namely export recommendations. The recommendations provided by Polish TSIs in respect of Turkey is employed as a case study. The theory of comparative advantage along with a neo-institutional perspective provide the conceptual framing for this analysis, in conjunction with both desk research, document analysis, and selected economic indices. Factors such as trade potential, comparative advantages, and the competitiveness of selected product groups exported by Polish firms to Turkey were also taken into account. The findings largely indicate that TSI export recommendations are adequate, and the majority of the recommended industries demonstrated considerable sales opportunities. Nevertheless, some discrepancies were also noted, which should be an issue for further investigation by both researchers and TSI analysts. Furthermore, the case study in this paper demonstrates that the choices within economic promotion policy – despite its partition between variously-oriented TSIs - were made on the basis of economic rationality.

Keywords: *trade support institutions; foreign market information; international entrepreneurship; international competitiveness; institutional coherence; Poland; Turkey*

Introduction

The significance of exports for economic development is widely acknowledged, and export promotion activities have become central elements of long-term state-led economic development strategies (Todaro & Smith, 2006). Similarly, a link between politics and trade is well

known¹ and such question must be considered jointly in reference to state-led actions in the field of external economic policy. In industrialized economies, trade promotion programs supported by governments are universally found (Gencturk & Kotabe, 2001), and thus such a form of state-business cooperation may be recognized as one of the factors that influence the competitiveness of firms, sectors, and countries on the international market. This theoretical assumption is built on research that proves the importance of knowledge and information for the internationalization of firms and their export operations (e.g. Liesch & Knight, 1999), as well as on the theory of asymmetric information and related market failures (Lederman, Olarreaga & Payton, 2006, p. 2). As Olaru (2014, p. 164) rightly notes, one of the important roles played by organizations promoting trade is the identification of products to be promoted in targeted foreign markets to achieve optimal export growth, an analysis which underpins any given export promotion program. The export recommendations are the specific sectors and products selected by state-run trade support institutions (TSIs)² to be promoted in a targeted market, where there is believed to be significant potential for trade growth. Indeed, through such export recommendations, TSIs not only provide important market information to exporters, but also influence the shape of the overall marketing strategy for specific markets, sectors, and products, and as a result, all subsequent TSI activities for achieving export targets. However, the findings of empirical studies on the efficiency of export promotion programs and agencies have been inconsistent, with some confirming their positive export outcomes (e.g. Gencturk & Kotabe, 2001), and others concluding their ineffectiveness (e.g. Brewer, 2009). Setting aside the discussion about export agencies' impact on economic welfare, this article attempts to evaluate the relevance of an essential element in the formulation of any TSI export promotion program- the export recommendations, which are embedded in a complex institutional framework.

The case study chosen for this investigation was Polish-Turkish economic cooperation. Throughout last several years, the cultural, social and economic links between Poland and Turkey has been tightened. There was a willingness to spill over these connections into the political sphere, what was proved by high-level visits and the signing of some partnership agreements in the last few years (Elman, 2013, p.1). As Elman notices, "part of the reason why the relationship is unproblematic is that Poland and Turkey remain at a distance from one another and the bilateral bond has yet to be given practical priority on their respective agendas" (2013, p.1). Most recently, President Recep Tayyip Erdoğan's visit to Poland in October 2017 was widely believed among business leaders from both countries, to boost trade and investment ties between the partners ("Erdoğan To Visit Poland", 2017). Besides the enthusiasm at the political level, many analytical reports express "a general belief of

¹ As an example may serve the use of the commercial policy instruments for the foreign policy purposes, see e.g., Hirsch, 2013; Rosen, 2003.

² TSIs can include, inter alia, trade promotion organizations, ministries, chambers of commerce, foreign trade representatives, exporters associations, and export credit and financing bodies.

unexploited potential in the area of Polish and Turkish relations, especially in regards to economics” (Mierzwa, 2015, p.17). This eagerness is also reflected in the growing number of initiatives, institutions and trade support instruments focused on enhancing trade potential between the two countries. Over the last decade, Turkey demonstrated rapid economic growth, intense democratization, and proactive foreign policy. Yet, between 2011-2015 a notable lessening of performance in all of these three fields has been observed (Öniş & Kutlay, 2017). The Polish Ministry of Economy has identified Turkey as among the most promising markets for exporters (Think Tank, 2014), and in 2011 Turkey was chosen by the ministry as one of five preferential foreign markets, selected due to their relatively low share in Polish exports and their significant economic potential, as well as due to their stable macroeconomic situation and good market absorption (Polsko-Turecka Izba Gospodarcza, 2013, p. 135). The country is linked with Poland under the European Union (EU) Customs Union (what obliged it to harmonize its regulations in the trade policy with the EU legislation), so the picture of trade relations is less distorted than with other foreign markets. According to the Turkish Economy Ministry data, the bilateral trade volume has been increasing over the last ten years, growing from \$2.49 billion in 2006 to nearly \$6 billion in 2016. Thus, although there is a significant potential for the cooperation on the political level (what may be proved by Poland’s support for Turkey’s accession to the EU, Turkey’s support for Poland’s accession to NATO, development in energy cooperation and defense industry), it seems that its fundamental element lies in the enhancement of economic cooperation.

The basic objective of a TSI is to provide support for companies in the process of internationalizing their business. In the case of Poland, their mission is to support Polish companies, and in particular small and medium-sized enterprises, who are in the process of increasing their level of internationalization. They do this through facilitating access to comprehensive, high quality and free information services for entrepreneurs and organizations, specifically in terms of planning, organizing and implementing exports and investments beyond Poland’s borders (Polsko-Turecka Izba Gospodarcza, 2013, pp. 137).³ By pursuing such a goal, the government expects to see an increase in the concentration of foreign market information and the availability of free information services regarding export and investment, as well as growth in export competitiveness and the number of investment deals (Polsko-Turecka Izba Gospodarcza, 2013 pp. 138-139). For their part, Polish businesses are increasingly interested in cooperating with the state to expand access to foreign markets (Zaborowski, Zielińska-Rakowicz & Gradziuk, 2014, pp. 7-9; 39). A study carried out by the Kronenberg Foundation revealed that, according to Polish companies operating abroad, the key to successful foreign expansion is knowledge of overseas markets, experienced employees and

³ Please note that the citation refers to a specific Polish TSI, the Network of Investors and Exporters’ Service Centers (COIE). Nevertheless, the objectives of TSIs are usually similar to one another.

new business partners (PBS Polska, 2014, p. 11). Considering the importance of the quality of TSI market information for the success or failure of boosting Polish exports, as well as for the shape of the overall TSI export promotion program, a study evaluating the accuracy of TSI export recommendations is certainly well in order.

The task of promoting economic cooperation abroad remains the domain of the Ministry of the Economy. However, certain activities related to the mission of support for the internationalization of Polish business are also significant elements of foreign policy, which remains the responsibility of the Ministry of Foreign Affairs (Pawlak, 2014, p. 94). Although the TSIs aim to support entrepreneurs, they also consist a part of the foreign policy apparatus. The Polish Department of Economic Diplomacy of the Ministry of Foreign Affairs stated that “the lack of appropriate institutional and legal solutions in the field of economic promotion results in the weakening of Poland’s position in the global economic turnover”, whereas ensuring the effectiveness of economic promotion requires the creation of a coordinated promotion system with a specialized agency responsible for promoting exports and FDI (Wróblewska, n.d., p.5). Consequently, is the realization of foreign policy objectives coherent with a robust economic analysis, while facing such a complex institutional framework?⁴ This study aimed to contribute to the understanding of the TSI’s institutional cohesion.

Hypothesis

The paper’s primary objective was a critical analysis of the quality of the export recommendations by Polish TSIs in relation to Turkey. Their recommendations are based on a market, legal and business analysis of Turkey’s markets in the respective sectors. They also take into account the global trends occurring within the structure of Polish exports and Turkish imports, and analyze factors such as domestic demand and investment trends. According to the Market Guide For Entrepreneurs- Turkey (*Przewodnik rynkowy dla przedsiębiorców - Turcja*), issued by the Polish-Turkish Chamber of Commerce and which examined the process followed by TSIs in 2010, they looked first at overall Turkish imports that year, and then, after excluding fuels, mineral oils and refined oil products, along with sectors where a concentration of Polish exports to Turkey already exists⁵, they identified specific areas where there is still potential for export growth (2013, p. 106). Although TSIs do consider global trends within Polish exports and Turkish imports, it is not clear if they take

⁴ In Poland, TSIs comprise such institutions as the Ministry of Economy, Trade and Investment Promotion Sections of the Polish Embassies (T&IPS), Center of Investors and Exporters Service (COIE), Polish Agency for Enterprise Development (PARP), Association of Credit Insurances for Exports (KUKI), the Chambers of Commerce, and many other government export support programs.

⁵ I.e. boilers, boilers, machinery and mechanical devices, iron and steel, machines, electrical equipment and parts thereof, vehicles other than rolling stock or tram, plastics, pharmaceuticals, organic chemistry products.

into account ongoing fluctuations in the competitiveness of Polish exports to the Turkish market. This may fit the findings of a study by Faroque & Takahashi (2012, pp. 52-53) that “government agencies are usually inefficient and do not have up-to-date information that can strengthen and extend the knowledge base of the exporting firms”, resulting in greater satisfaction among those firms which used export marketing services provided by nongovernment entities. Consequently, this paper’s hypothesis is that TSI export recommendations are inaccurate, due to their possibly incomplete, outdated, trade and market analysis.⁶ Also, as regards the problem of institutional complexity, if this assumption would be proven, the research results could contribute to the debate on the prevalence of politically-led objectives over economic interests in the formulation of state’s trade policy.

Methodology

The study made use of a mixed approach, that applied methods, and techniques typical for research in the field of political science and economics. The theoretical approach applied in this article is widely used in both of these fields. Specifically, it is a neo-institutional perspective in its rational choice variant, and especially, Oliver Williamson’s argument (1985) that the development of a particular organizational form can be explained as the result of an attempt to reduce the transaction costs of undertaking the same activity without such an institution. Furthermore, to address the above hypothesis, the competitive position of the Polish sectors selected by the TSIs in relation to Turkey’s market should be assessed. Among many theories of and approaches to international trade and competitiveness, David Ricardo’s theory of comparative advantage still provides classical trade theories with their fundamental assumptions. Comparative advantage can be defined as “the ability of a given economy to manufacture a product more efficiently than other countries do; it is reflected in the directions of export and import specializations”, while the concept of competitiveness in international trade assumes that it depends on both, micro- and macroeconomic factors, and it is used to determine a country’s position in global trade, where a decline in the share of an economy’s (or its sectors’) total imports to a given market indicates lessening competitive advantage, and similarly, a growth in shares would point to the growing competitiveness of its exports (Koszewska, 2005, p. 11).

Drawing on the theory of comparative advantage, in order to assess the position of Polish exports in the international market the Revealed Comparative Advantage (RCA) index value for selected product groups was calculated. The concept behind this index assumes that the comparative advantage may be “revealed”, or, to put it differently, deduced from observed

⁶ Please note: the author considered further information, data, indicators and in-depth, comprehensive analyses of the reports on the recommended sectors, but the acceptable length of this paper has resulted in a significant reduction in the scope of the analysis presented here.

data, in what has become a broadly accepted method for analyzing trade data (Utkulu & Seymen, 2004, p. 8). The index is a tool to measure the attractiveness of a country's exports and it takes into consideration the position of a country's goods in a given foreign market, as well as the position of competing goods originating from third countries (Salamaga, 2010, p. 87). It has been proven useful in identifying a country's internationally-competitive products and sectors in a number of studies. Some such studies used the RCA indicator to compare Turkey with other countries' comparative advantages (among them Poland) in particular sectors and products (see, for example, Yilmaz, 2003). The RCA indicator has also been employed to assess the comparative advantages of particular Polish economic sectors against their international competition (e.g. Wysokińska, 2010).

One of the limitations of the RCA index is the issue of high export volumes that can result from market distortions; for example, subsidies or under-valued exchange rates. Therefore, it has been argued that the RCA index is incorrectly named, as it is in fact a better measure of competitiveness than comparative advantage (The World Bank, 2013, p. 9). Moreover, it is often criticized for its asymmetry, because if a country or a product has a comparative advantage, the index ranges from zero to infinity, whereas in the case of a comparative disadvantage the index ranges from zero to one. Furthermore, the index focuses on exports, whilst ignoring imports (Karaalp & Yilmaz, 2012, p. 9).

Although these limitations have resulted in many modifications and variations of the index, in this analysis its definition and calculation were applied under the WITS software (World Integrated Trade Solution). Thus, the RCA index of country "i" for product "j" is often measured by the product's share of country exports in relation to its share in world trade. The index calculation is presented in the equation:

$$RCA_{ij} = (x_{ij}/X_{it}) / (x_{wj}/X_{wt})$$

where "x_{ij} and x_{wj} are the values of country i's exports of product j and world exports of product j and where X_{it} and X_{wt} refer to the country's total exports and world total exports. A value of less than unity implies that the country has a revealed comparative disadvantage in the product. Similarly, if the index exceeds unity, the country is said to have a revealed comparative advantage in the product" (The World Bank, 2010).

Additionally, in order to assess the competitiveness of a sector or a product group in reference to a particular market, the Export Specialization (ES) index was applied. This is "a slightly modified RCA index, in which the denominator is usually measured by specific markets or partners. It provides product information on revealed specialization in the export sector of a country and is calculated as the ratio of the share of a product in a country's total exports to the share of this product in imports to specific markets or partners rather than its share in world exports" (The World Bank, 2010). This is expressed in the equation:

$$ES = (x_{ij}/X_{it}) / (m_{kj} / M_{kt})$$

where x_{ij} and X_{it} are export values of country i in product j , respectively, and where m_{kj} and M_{kt} are the import values of product j in market k and total imports in market k . The ES is similar to the RCA in that the value of the index less than unity indicates a comparative disadvantage and a value above unity represents specialization in this market” (“Wits.world.bank.org”, 2010).

The RCA index refers to global (Poland-World) exports, while the ES refers to bilateral (Poland-Turkey) exports. To complement the analysis, the trade potential was estimated. The Indicative Trade Potential by the Trade Map is defined as “the lower value of the country’s exports and the partner country’s imports, minus the actual current trade between the two countries, (...) it gives an overview of the complementarities of the two economies”. To calculate it, the following equation was used:

$$\text{Trade potential} = \min \{ \text{country's exports}; \text{partner country's imports} \} - \text{actual bilateral trade}$$

The difference between what is currently traded and the trade level of each country independently of each other stands as the “trade potential” between two countries (Market Analysis and Research Division of Market Development, 2014, pp. 90-91).

The analysis took into account a general description of each sector and the reasons why this industry is recommendable in the opinion of the relevant TSI. This was complemented by the use of desk research and document analysis, where the necessary information and data were taken from such sources as sector reports, official economic reports, and other publications. In addition, the statistical data used for calculations was derived from the ITC (International Trade Centre), UN Comtrade and the World Bank databases. Likewise, the data concerning the calculation of the RCA index was computed using the WITS software, which utilizes the UN Comtrade database. All data is presented in the Harmonized System (HS) classification of products and industries. The data employed in the analysis covers the 2007-2013 period, which is among the limitations of this study; this period was selected due to concerns about the coherence of the data and consistency with the analyses made by the TSIs, as the documents containing their recommendations were only issued from 2006 until 2014. Another limitation, which explains why the present study analyzed the quality of TSI export recommendations and not their results for export growth, is that the factors which influence businesses’ actions in foreign markets are related to market conditions and the overall economic situation of a country, such as investment and trade climate or local laws. Besides which, there are plenty of additional export benefits that lead companies to enter foreign markets, but these factors all lie beyond the influence or power of an agency which aims to encourage domestic companies to export.

Research Results

Regarding Poland's exports to Turkey, there are primarily three TSIs which provide export recommendations, namely: the Trade and Investment Promotion Section of the Polish Embassy in Ankara (T&IPS department in Ankara), PARP, and the Polish-Turkish Chamber of Commerce. In fact, the latter two TSIs largely use the information provided by the T&IPS in Ankara, which explains the considerable level of convergence witnessed when studying the range of industries recommended by the TSIs, where the T&IPS in Ankara appears as an axis for further analysis (see Table 2).

Among the sectors recommended by the TSIs, there are ten areas which were selected as most relevant for further analysis. The sectors not taken into consideration either did not appear frequently, concerned services and investment cooperation rather than exports, or the data necessary to continue the analysis was difficult to access. Furthermore, the excluded sectors were (in most of the cases) not traditionally associated with SMEs – the target group for the majority of TSI actions – as is the case with the defense, energy, or copper industries. For these reasons, the sectors of defense, energy, environment protection, ICT, construction, transports, minerals and natural resources, have been excluded from consideration. Consequently, the following ten industries were analyzed:

1. Agri-food articles (HS: 2, 4, 16-24),
2. Automotive (HS: 8708, 8709, 8714, 8716),
3. Chemicals (HS: 28-38),
4. Cosmetics, toiletries and personal hygiene products (HS: 33),
5. Furniture (HS: 94),
6. Machinery (HS: 84-85),
7. Paper production (HS: 48),
8. Pharmaceutical and medical products (HS: 30, 3003, 3005, 9018, 9019, 9021, 9022, 9025, 9042),
9. Wood production (HS: 44-49),
10. Iron and steel products and articles made thereof (HS: 72-73).

Table 1 and 2 demonstrate the results of the analysis in full. A number of observations can be made from this data.

The Polish agri-food sector has a strong export position, both on the international market (see the RCA for HS: 2, 4, 16, 17, 18, 19, 20, 21, 24) and in Turkey (the export specialization was found in almost every considered product group, except HS 23; see the ES for HS: 2, 4, 16-24). However, one should take into account the numerous tariffs and regulations that Turkey imposes on EU exporters, which probably complicate a full understanding of the applied indices. However, as these regulations gradually decrease, Polish exports into the Turkish market should increase. Additionally, the analysis of the machinery and automotive industries confirmed great opportunities for Polish exporters in the sectors mentioned by the TSI. Likewise, even if Polish exporters do not have a specialization in Turkey's market

in relation to the chemical industry (as the ES reveals), a substantial growth of exports in this area can be observed, both towards Turkey and the world (except HS 31 fertilizers, where in the period 2009-2013 a significant drop in Polish exports to Turkey was observed). This trend may confirm the strengthening position of the Polish chemical industry, which remains a promising domain for Polish exporters in the nearest future. Furthermore, the solid position of Polish exports to Turkey is seen in cosmetics, toiletries, and personal hygiene products, and though the value of exports grows year by year, there still remains a significant trade potential for Polish exporters. Similarly, in the pharmaceutical industry, where the commercial exchange still seems to be neglected and the growth continues, the value of the RCA and ES indices increased significantly in recent years, and Poland is in fact close to a specialization in the Turkish market. Although in the medical equipment industry a comparative advantage was not revealed (the RCA was found in only 2 out of 9 analyzed product groups), a specialization in the Turkish market was detected in product groups related to medicaments (HS: 3003, 3004, 3005) and medical and specialized furniture (HS 9402). Taking into account the overall condition of the wood sector, it is clear that Polish exports have a strong competitive position (see Bidzińska, 2009, p. 61) in almost all product groups (except HS 47) which probably will be used in the future exploitation of the existing high trade potential (see Sirtioglu, 2010, p. 2; and Table 1). Likewise, in the cases of paper and furniture industries, Polish exports have a strong competitive position, and therefore the prospects seem promising.

However, the iron and steel industry is as an example of where the results of the analysis do not correspond with the TSIs' recommendations. It revealed that Turkey will most likely turn towards other, more competitive suppliers, such as China (see, for example, Turkish Steel Producers Association, n.d.). Though the RCA index points to a slight comparative advantage, Poland has in fact a comparative disadvantage in the Turkish market regarding this product group (see the ES for HS 72) and since 2012 there has been a significant drop in Poland's exports to Turkey. Nevertheless, Polish exporters of iron and steel articles (HS 73) performed much better, where there is a considerable growth in exports, a revealed comparative advantage and a specialization in the Turkish market. Indeed, a significant increase can be expected in some industries which are dependent on steel, such as auto manufacturing, infrastructure, and construction. This factor may increase the demand for finished steel products (Investment Support and Promotion Agency of Turkey, 2013, p. 5; 11). Thus, there is potential for a growth in Polish exports of articles made of iron and steel (HS 73) to Turkey. And yet, though the position of Polish exports of these metals (HS 72) is strong internationally, it is not the case in the Turkish market.

Conclusions

Although states' choices are always made within a political context, the case study in this paper demonstrates that the choices within Polish economic promotion policy – despite

its partition between variously-oriented institutions- were made on the basis of economic rationality (whether Turkey's recent economic challenges may hamper this relationship remains a question for further research). Indeed, it must be acknowledged that in most cases the TSI export recommendations were found to be correct, and are thus accurate; while most of the industries analyzed indeed revealed great sales opportunities for Polish firms in the Turkish market. Nevertheless, some discrepancies were found, the most exemplary case of which was the iron and steel sector. This may indicate that the TSIs' approach of looking for export niches is relevant, but may also contribute to somewhat neglecting an ongoing analysis of the trend dynamics within "traditionally strong" sectors of Polish exports to Turkey. Besides, this shows that the strong competitive position of an exported product group on the global market is not necessarily the same as its position in a particular country's market. It also shows that the analysis of particular sectors should always be detailed, as iron and steel are not in the same competitive position as articles made of these materials. Of course, it is possible that the additional assistance provided by the TSIs embraces a more tailored and comprehensive market analysis for some specialized firms.⁷ Also, it is worth noting that while the T&IPS claims that it evaluates the market information on its website every six months, the recommendations published by the various institutions over different time periods did not change significantly over time. Perhaps some of these imperfections have already been recognized by the authorities, because the economic sections of Polish embassies and consulates, namely the T&IPS, will be soon replaced by a network of Foreign Trade Offices (liquidation of T&IPS in Ankara was initiated on 1 September 2017; the new Trade Office is going to open in Istanbul), which will likely address the necessity for a more comprehensive and specialized support system for the Polish exporters.

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⁷ Currently, some specialized market analyses on the following sectors in Turkey are free accessible: jewelry, natural stone, coal and lignite, textile and leather goods, cosmetics, ICT, automotive, organic food, construction, household and electronic goods, furniture, energy, shipbuilding, transport, and logistics.

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Annex 1.

Export Specialization Index: Polish Exports to Turkey, in 2007 and 2013. RCA index for Poland by product group, 2007- 2013. Indicative Trade Potential, 2013, Unit: US Dollar thousand

Product Code	Product label	RCA 2013	RCA 2007	ES 2013	ES 2007	ITP 2013	Product Code	Product label	RCA 2013	RCA 2007	ES 2013	ES 2007	ITP 2013
02	Meat and edible meat offal	3,17	2,43	216,89	25262,80	24786	29	Organic chemicals	0,37	0,41	0,42	0,43	1720811
04	Dairy products, eggs, honey, edible animal products nes	2,4	2,66	19,41	18,62	159877	30	Pharmaceutical products	0,57	0,29	0,94	0,37	3061909
16	Meat, fish and seafood food preparations nes	2,51	1,83	334,13	427,89	5079	3003	Medicament mixtures (not 3002, 3005, 3006) not in dosage	0,63	0,26	1,17	0,21	92763
17	Sugars and sugar confectionery	1,41	1,56	8,94	10,06	105816	3004	Medicament mixtures (not 3002, 3005, 3006), put in dosage	0,73	0,31	1,18	0,40	2633852
18	Cocoa and cocoa preparations	3,11	2,09	3,61	2,96	495541	3005	Dressings packaged for medical use	1	1,47	3,80	7,02	24765
19	Cereal, flour, starch, milk preparations and products	2,1	2,32	8,45	9,70	186797	31	Fertilizers	1,1	1,57	0,64	0,70	757488
20	Vegetable, fruit, nut, etc food preparations	2,14	2,16	20,48	15,88	86610	32	Tanning, dyeing extracts, tannins, derivs, pigments etc	1,02	0,88	0,58	0,47	909765
21	Miscellaneous edible preparations	2,43	2,14	3,89	2,85	535026	33	Essential oils, perfumes, cosmetics, toiletieries	2,31	1,92	3,10	2,49	1037228
22	Beverages, spirits and vinegar	0,58	0,49	3,41	5,50	263293	34	Soaps, lubricants, waxes, candles, modelling pastes	2,93	2,23	2,70	2,24	821341
23	Residues, wastes of food industry, animal fodder	0,96	0,74	0,68	0,69	817544	35	Albuminoids, modified starches, glues, enzymes	0,78	0,85	0,57	0,65	231965
24	Tobacco and manufactured tobacco substitutes	4,39	2,47	4,98	3,04	487684	36	Explosives, pyrotechnics, matches, pyrophorics, etc	1,02	1,06	1,14	1,48	48818
28	Inorganic chemicals, precious metal compound, isotopes	0,8	0,59	0,78	0,64	987721	37	Photographic or cinematographic goods	0,18	0,14	0,19	0,15	32631

Product Code	Product label	RCA 2013	RCA 2007	ES 2013	ES 2007	ITP 2013	Product Code	Product label	RCA 2013	RCA 2007	ES 2013	ES 2007	ITP 2013
38	Miscellaneous chemical products	0,72	0,3	0,87	0,31	1467335	8436	Agricultural,hortic ,forest,bee keeping machinery;poultry incubator etc	1,67	1,82	2,91	6,30	52484
39	Plastic and articles thereof	1,42	1,19	0,82	0,80	9183467	84-85	Electrical, electronic equipment	0,99	0,93	1,25	1,18	46058069
40	Rubber and articles thereof	2,32	2,2	2,13	1,98	2962730	8708	Parts & access of motor vehicles	2,34	2,29	2,42	1,69	4815880
44	Wood and articles of wood, wood charcoal	2,74	2,79	3,09	3,72	1550777	8709	Work truck,self-propelled, for factories/airport & parts	0,75	0,38	1,02	0,58	11836
47	Pulp of wood, fibrous cellulosic material, waste etc	0,33	0,21	0,32	0,26	159294	8714	Parts and accessories of motorcycles & cycles	0,43	0,4	0,81	0,75	79143
48	Paper and paperboard, articles of pulp, paper and board	2,57	1,98	1,67	1,65	3015708	8716	Trailers&semi-trailers;other vehicles not mechanically propelled	3,05	2,71	4,85	4,31	204376
44-49	Wood	2,26	1,98	2,06	2,22	5407381	9018	Electro-medical apparatus (electro-cardiographs, infra-red ray app, sy	0,45	0,37	0,67	0,40	534185
72	Iron and steel	1,1	1,09	0,32	0,35	4716027	9019	Mechano-therapy appliance (artif resp, massage app-ozon/oxygen)	0,19	0,26	0,24	0,23	18236
73	Articles of iron or steel	1,93	2,35	2,98	4,15	2731257	9021	Orthopaedic appliance (crutche/surgical belts & trusse)	0,45	0,32	0,64	0,44	163539
8432	Agricultural, horticultural, forest machinery for soil prep/cultivation	1,65	2,05	5,43	8,23	37130	9022	Apparatus based on the use of X-rays/of alpha, beta/gamma radiations	0,23	0,05	0,29	0,06	56306
8433	Harvesting/threshing machinery, hay mower,etc	2,79	1,76	2,68	1,79	190956	94	Furniture, lighting, signs, prefabricated buildings	4,12	4,98	8,72	10,38	1452349
8434	Milking machines and dairy machinery	4,28	3,63	4,26	3,10	28176	9402	Med, surg, dental furniture (e.g. dentists' & barbers' chairs)	3,42	2,79	6,63	2,75	26331

Author's own calculations computed using ITC and WITS software. Data sources: UN Comtrade statistics, retrieved from: <http://comtrade.un.org>.

Annex 2.

The composition of the Polish Trade Support Institutions' export recommendations in relation to Turkey

T&IPS Ankara (website)	Polish – Turkish Chamber of Commerce (Przewodnik rynkowy dla przedsiębiorców – Turcja, 2013)	PARP (Przewodnik rynkowy dla przedsiębiorców – Turcja, 2006)	PARP (Przewodnik rynkowy dla przedsiębiorców – Turcja, 2008)	T&IPS Ankara (Polska – Turcja, Możliwości i szanse rozwoju współpracy gospodarczej, 2013)	Ministry of Economy (Promotion programme, 2014)
Agri – Food Articles	Agri – Food Articles	Agri – Food Articles	Agri – Food Articles	Agricultural machinery and equipment	Agri – Food Articles
Automotive	Automotive	Base metals and articles of base metal	Automotive	Automotive	Construction industry
Car production technology elements	Construction industry	Chemical industry	Base metals and articles of base metal	Construction industry	ICT industry
Chemical industry	Copper and copper products	Furniture and accessories	Chemical industry	Cosmetics, toiletries and personal hygiene	Medical equipment
Construction industry	Cosmetics, toiletries and personal hygiene	Mechanical and electrical equipment and vehicles	Construction industry	Environmental protection	Transport and communication
Copper and copper products	Energy sector	Mineral products	Energy sector	Defence industry	
Cosmetics, toiletries and personal hygiene	Environmental protection	Paper	Environmental protection	ICT industry	
Defence industry	Furniture and accessories	Plastics	Industrial pumps	Mining and energy industry	
Energy sector	ICT industry	Steel products (iron and steel)	Machines and equipment for food processing	Pharmaceutical and medical products	
Environmental protection	Industrial pumps	Supply of products for automotive industry (and for ships construction)	Machines and equipment for metal and vehicles	Transport and communication	
Furniture and accessories	Machines and equipment for food processing	Wood and wood products	Medical equipment		
ICT industry	Machines and equipment for metal	Wood and wood products	Mineral products (coal, coke, some petrochemical products)		
Machines and equipment for food processing	Medical equipment		Paper		
Machines and equipment for metal	Paper and cardboard		Plastics		
Medical equipment	Pharmaceutical and medical products		Steel products (iron and steel)		
Paper and cardboard	Steel products (iron and steel)		Wood and wood products		
Steel products (iron and steel)	Supply of products for ships construction)				

Author's own elaboration. Note: "Przewodnik rynkowy dla przedsiębiorców – Turcja" may be translated as "Market guide for the entrepreneurs – Turkey". Please find the list of the corresponding sources of information below:

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