

Abstract

Institutions are not only created and built, but also, and especially, need to be learnt. It is a process which takes place in all economies, but acquires a special importance in less advanced countries. Not only theoretical arguments, but also the practical experience over the past 15 years demonstrate that faster economic growth, and hence also more broadly, socioeconomic development, is attained by those countries which take greater care to foster the institutional reinforcement of market economy. However, progress in market-economy institution building is not in itself sufficient to ensure sustained growth. Another indispensable component is an appropriately designed and implemented economic policy which must not confuse the means with the aims.

Keywords: institutions, economic policy, transition, growth, development, globalization

JEL classification: A11, E6, F02, F43, H11, I38, N1, O17