Introduction

Export activity has been traditionally analysed for countries. Its regional dimension was somewhat neglected or not noticed. The main premise of our research is that exports are strongly diversified regionally. The imperative to conduct such research stems from constataion that exports do not come from an undefined space, from a country treated as a single point – but rather from particular locations. For a long time, international economics has not been interested in what is inside the exporting countries in terms of their lumpiness. The question “where do exports come from” was not asked. While the regional distribution of economic activity, as such, was subject to profound research by geographers, economists and regional scientists – exports were not. International economics is, however, changing. It has incorporated a geographical component, which is represented by the New Economic Geography (NEG), and heterogeneity of firms, that have different productivity, while higher productivity positively contributes to exports. The regional analysis of exports represents a domain in which heterogeneity of regions and heterogeneity of firms meet.

This book continues the research done by the group of economists focused on international economics and regional issues (Brodzicki, 2016a, 2017a; Gawlikowska-Hueckel and Szlachta, 2014; Gawlikowska-Hueckel and Umiński, 2013a, 2013b, 2016; Márquez-Ramos, 2016a, 2016b, 2016c; Nazarczuk and Umiński, 2018b). The research cooperation created the possibility to share experience, confront results and verify hypotheses in a broader context. The novelty brought in our analysis stems from extending the examination beyond Poland and including the regions of Spain. We fill the gap in the literature by making a comprehensive inquiry in the sphere of regions’ foreign trade, reviewing main theoretical threads and empirical research.

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The research done within the project resulted in several publications focused on such issues as gravity panel data analysis model on the role of metropolises and path dependency (Brodzicki and Umiński, 2017), distribution of exporters and the role of ownership (Nazarczuk, Umiński, & Brodzicki, 2019), the role of specialisation (Nazarczuk, Umiński, and Gawlikowska-Hueckel, 2018), patterns and determinants of Intra Industry Trade (IIT) (Brodzicki, Jurkiewicz, Márquez-Ramos, and Umiński, 2019), consequences of Brexit (Nazarczuk, Umiński, and Márquez-Ramos, 2020), as well as determinants of the regional export base (Brodzicki, Márquez-Ramos,

and Umiński, 2018). The comprehensive information thereof can be found on the ResearchGate website.¹

This book comprises four parts. Part one “Region and Trade” introduces the concept of region as a small open economy (SOE) and treats regions as something “in-between”, between a whole nation level and disaggregation of statistical data, for particular firms. In part one, much attention is put on presenting selected theoretical concepts useful in exporting activity interpretations from regions’ perspective. Not only international trade theory is referred to, but also foreign direct investments (FDI), NEG and NNEG as well as the heterogeneity of firms. The role of openness in the economic growth of regions is depicted thoroughly, with particular attention on the perspective of NEG, evolving into NNEG. Also, the principle of subsidiarity is mentioned, as a concept that justifies any action taken at the regional level, aimed at exports promotion.

Part two “State of Art”, reviews the empirical literature on the sophisticated nexus between trade and other aspects of openness, and economic growth performance. The studies at the regional level are depicted. Also, the role of FDI is presented. A separate point is focused on Dutch Disease (DD), which we treat as an interesting phenomenon linking regional and international economic problems. This part also includes the comprehensive overview of research on regions’ foreign trade, structured into main issues tackled, such as examples of the early research on regions’ exports, the role of FDI, exports promotion, measurement problems, agglomeration of exporters and border effect.

Part three presents the results of the empirical analysis of foreign trade in Poland’s and Spain’s regions. Trade openness is assessed, the primary taxonomy of exporting parameters is presented, including geographical and product structures, their concentrations, the quality of exports and the role of FDI. This part also embraces the inquiry into the determinants of regions’ foreign trade, broken into orthodox and non-orthodox factors. Apart from Polish and Spanish regions, Australian and Canadian cases are presented.

Part four, “Policy Implications and Possibilities”, concentrates on the understanding of competitiveness concept, applied to regions and their exporting activity, and shows the possibilities of exports support at a regional level. Because smart specialisation has become an important concept used in stimulating regional development and improving competitiveness, the role of smart specialisation-related exports in overall regional exports has been assessed.

¹ <https://www.researchgate.net/project/Regional-Exporting-Activity-Assessment-of-Determinants-in-Light-of-Contemporary-Foreign-Trade-Theory-for-Poland-and-Spain>

Acknowledging the limits and imperfections of our research, methodology and datasets used – by preparing the book and publishing other research results of the project in scientific journals, we aimed at inviting researchers from Poland, Spain, Australia, Canada and other countries to participate in the discussion related to the nexus between regional and international economics. Regions have become more open. Their economic situation and labour market trends, in particular, depend on the sphere of foreign relations. We are sure that this kind of analysis will flourish, also because more comprehensive datasets for regions are available.

As mentioned, the book represents the results of work performed in the years 2016-2019 by a team comprising: Tomasz Brodzicki, Anna Fornalska-Skurczyńska, Krystyna Gawlikowska-Hueckel, Tomasz Jurkiewicz, Laura Márquez-Ramos and Jarosław M. Nazarczuk, and supervised by Stanisław Umiński. The Australian and Canadian cases contribution was possible due to cooperation with Tony Cavoli, Dandan Lin and Clinton Uzobor.

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