

Protectionist Policy in Central and Eastern Europe: Prospects for Upholding the Right of Equal Access to National Markets



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Abstract: *In international economic relations, many countries use protectionist policies to protect their national economic interests. In the context of globalization and integration of the world economy, the right to free trade and equal access to national markets is becoming one of the key issues of international economic relations. Equal access rights guarantee a fair playing field for both foreign and domestic businesses, which can attract foreign direct investment (FDI) into the nation. However, they can also be abused to deter FDI under the guise of stronger national interests or as a result of pressure from lobbying organizations. Gatekeeping national markets as a barrier to foreign direct investment (FDI) has been made possible by the global growth of global protectionism, which is a response to the imbalances and inequities brought about by globalization, as well as the deadlock of supranational institutions in the control of international relations. This issue is of relevance for the countries of Central and Eastern Europe (CEE), which find themselves at the intersection of many economic and political interests. Over the past decades, the countries of Central and Eastern Europe have made significant steps towards economic integration with the European Union (EU). However, despite the general successes in the field of trade relations, there are problems associated with restrictions on the entry of goods into national markets, which restricts free trade and threatens further economic growth and development.*

Keywords: protectionism, equal access, national markets, Central and Eastern Europe, Russia

Introduction

For the countries of Central and Eastern Europe, a contemporary rise in protectionist policies is a crucial subject for economic partnerships within the region, especially with Russia as an important economic partner thereof. This may not only hinder equal access to markets for Russian companies, but also negatively affect economic relations between countries (Acemoglu & Robinson, 2015).

Through competition policy (CP), national competition authorities (NCAs) have a dual function in determining the environment for foreign direct investment (FDI). By lowering trade and investment obstacles, NCAs seek to both safeguard competition and provide fair

playing fields while fostering foreign direct investment (FDI) (Mariotti & Marzano, 2021; Caves, 1996; Rugman & Verbeke, 1998).1. However, the 'capture theory' identifies a number of regulatory capture scenarios, including bureaucratic, government, industry, and cultural ones, where NCAs may stray from their mandate due to personal agendas and vested interests (Carpenter & Moss, 2013; Gardbaum, 2020; Dewatripont & Tirole, 1999; Kwak, 2013). This type of capture may result in the application of competition law as a barrier to foreign direct investment and as a tool for protectionist (Brewer, 1993; Büthe, 2014; Clougherty & Zhang, 2021; Tunali & Fidrmuc, 2015).

There is disagreement over the effect of CP on

FDI, with conflicting research findings. Strong competition policies (CP) have been argued to be protectionist in nature, discouraging foreign ownership, particularly through merger and acquisition controls (Aktas et al., 2007; Clougherty & Zhang, 2021; Conybeare & Kim, 2010; Serdac Ding & Erel, 2013; Zhang & Clougherty, 2022). However, some argue that strong CP promotes FDI by fostering a non-discriminatory business environment (Golub et al., 2013; Oliveira et al., 2001; Parakkal, 2021; Seth & Moran, 2013).

The link between populism and protectionism has become increasingly complex in recent times. Increased protectionist policies brought about by populism have a detrimental influence on the independence and efficacy of NCAs, especially in the context of the European Union, as demonstrated by Central Eastern European states of Poland and Hungary (Rodrik, 2017; Stiglitz, 2017; Bernatt, 2022).¹

Foreign direct investment is heavily influenced by national competition agencies (NCAs) and their competition policies (CP). (FDI). Despite being initially intended to safeguard competition and promote equitable conditions, notably for foreign direct investment, NCAs are frequently vulnerable to several types of ‘capture,’ including those from the government, business, bureaucracy, and culture. This capture, which has been well-documented, leads to selective enforcement against foreign companies and could be used to manipulate merger and acquisition control for self-serving ends

¹ Reducing the market strength of the leading oligopolies would mean renouncing the use of them as a tool to advance foreign interests. Indeed, it appears many share with populist administrations the duality that exists between expansionist realism in international affairs and demagoguery in home affairs.

² The main categories of regulation include trade and investment laws, property rights, labor market laws, credit market laws, and environmental regulations

³ We acknowledge that the empirical literature has produced inconsistent results regarding the effects of foreign direct investment (FDI) on welfare and growth, making the determination of whether FDI is beneficial or detrimental to host countries

(Mariniello et al., 2015).

These worries are made worse by the growth of populism; research indicates that multinational corporations (MNEs) are less willing to invest in nations led by populists because they believe there are prejudices against foreign businesses (Liebmann & Kunczer, 2022; Zhang & Clougherty, 2022). The inconsistent nature of NCAs' resources, independence, and accountability increases the dangers for foreign investment even more.

For FDI to be attracted, effective CP signals—like pro-enforcement reforms—must be supplemented with top-notch regulatory environment institutions, particularly in nations with low levels of generalized trust (Mariotti & Marzano, 2021; Aghion et al., 2010).² Numerous economic research (Ait Soussane & Mansouri, 2022; Borrell & Jiménez, 2008; Buccirosi et al., 2013; Krakowski, 2005; Voigt, 2009) corroborate the requirement for top-notch institutions.

Taken along, the immense potential for investment cooperation between countries of Central and Eastern Europe – and with Russia in particular – is hugely challenged. The point at issue is that the protectionist policies of some countries therewith may limit equal access to national markets. In light of this, comprehending the wider economic, institutional, and social backdrop is essential for developing policies that guarantee CP keeps promoting a climate that is favorable to FDI within the region and around the world.³

contingent upon investor strategies and the unique features of the institutional, economic, and business environments of the host countries (Alfaro & Charlton, 2013; Carbonell & Werner, 2018; Cicea & Marinescu, 2021; Narula & Pineli, 2019). According to research and publications by reputable international organizations like the World Bank, OECD, FDI, and the United Nations, there is a positive balance between the benefits and drawbacks of foreign direct investment (FDI). This common wisdom has developed among economists, policymakers, and practitioners in recent decades. This article, however, aims to address if and how equal access rights can and will be used by governments to encourage FDI rather than to

Rising Protectionism and the Gatekeeping⁴ of Equal Access Rights

Following the global financial crisis of 2008, opinions on the free market economy changed to acknowledge its advantages as well as disadvantages, including disparities in income, unfair competition, and detrimental effects on developing nations. Renowned economists Dani Rodrik (2017) and Joseph Stiglitz (2017) brought attention to these problems in their 2017 publications. In 2018, Rodrik (2018) went on to say that sustained free movement of capital and goods may eventually benefit from a certain level of economic protectionism.

Since 2008, economic protectionism has taken on a new form that goes beyond conventional trade barriers. Enderwick (2011) and Mariotti (2022) claim that this new wave of 'global protectionism' includes offshore, migration, capital flows, and foreign direct investment (FDI) in addition to trade. It uses a combination of conventional and contemporary tools, such as industrial policies, tariffs, and subsidies, and it impacts both developed and developing nations. As demonstrated by nations that export commodities like Russia, this modern protectionism is motivated by a desire to preserve economic advantages in addition to social and economic difficulties.

This new protectionism has been linked to the growth of populism in many nations. Adopting economic protectionist policies, according to Rodrik (2018), may be one strategy to combat political populism. Global Trade Alert database reports by Evenett and Fritz (2020, 2021) show a marked rise in discriminatory and protectionist policies implemented globally since 2008. By the end of 2021, the G20 countries—China and the United States in particular—had put over

28,500 such measures into effect.

The stability and efficacy of the post-World War II global economic order are seriously threatened. Bowen & Broz (2022) draw attention to the danger that comes with the deterioration of multilateral organizations such as the World Trade Organization (WTO), which is losing credibility as a result of challenges from the US and a move by its members toward economic nationalism and unilateralism. Nations like China have established alternative global organizations as a result of the problem being made worse by the ineffective dispute settlement mechanism of the World Trade Organization and disagreements within the World Bank and International Monetary Fund regarding conditionality and governance.

Scholars and policymakers cannot agree on how to address this crisis, as observed by Gruszczynski (2023), Jones (2023), and Petersmann (2019). The emergence of technonationalism, as explained by Luo (2022) and Mariotti (2022), adds to the complexity. This trend indicates a change in global economic tactics, with globalization now seen as a competitive battlefield rather than as a cooperative endeavor to boost national economies. With restrictions on technology transfer and third-country firms, the focus has shifted from developmental goals to national security concerns, portraying technological competition as a zero-sum game rather than a chance for mutual benefit through interconnectivity and resource sharing.

Globally, there is a growing trend of strategic protectionism in important industries, which has led to more stringent national and regional government screening of foreign direct

comment on whether or not FDI is good or bad or how to make FDI good.

⁴ From a protectionist standpoint, strategic gatekeeping of national markets is putting laws and policies in place to control and frequently restrict international competition within a nation's markets. The motivation for this strategy is usually the desire to shield home companies and sectors from what may be seen as unfair or too hostile foreign

competition. In this case, gatekeeping could take the form of high tariffs, strict import quotas, onerous regulatory procedures, or subsidies for homegrown industries. The fundamental goal is to give local businesses a competitive edge and protect important sectors deemed essential to the country's interests or financial stability. This strategy, nevertheless, occasionally results in inefficiency, increased consumer prices, and retaliatory actions from other nations, which may spark trade conflicts.

investment (FDI).⁵ Napolitano (2019) lists a number of often implemented policies, including increasing the sectors that need permission from the government, decreasing investment notification requirements, increasing the scope of public interests that are protected, prolonging administrative investigation times, and strengthening the authority of public authorities. Notable increases in alerted and restricted transactions have resulted from these modifications.

Political discourses fluctuate between restricting FDI screening to 'public security' and adopting a more expansive 'strategic assets' approach, which may lead to an increase in covert protectionism. It is believed that FDI policies' ambiguity is done on purpose to give opportunity for FDI to be securitized for trade and political objectives (Lai, 2021). There has been a noticeable shift toward discriminatory FDI regulations since 2008. According to Evenett and Fritz (2020), pro-FDI initiatives in G20 nations dropped from 60% in 2009 to about 40% in the early 2020s. Through a variety of restrictive measures, this new 'techno-nationalism' worsens market uncertainty and undermines global value chains (Graham & Marchik, 2006; Legrain, 2020; Sacks, 2020), which increases discrimination against FDI.

In the context of global protectionism, national governments are increasingly using national competition authorities (NCAs) and their policies as strategic tools. Governments discourage inbound foreign direct investment (FDI) through a variety of policies, including labor, monetary, and regulatory measures. When many regulatory bodies work toward these ends at the same time, a synergistic effect results that strengthens protectionist intentions (Mariotti & Marzano, 2021). In this sense, competition policy (CP), which applies to all economic sectors and functions on the basis of 'standards'

as opposed to 'rules' that are sector-specific, is especially important. According to Kaplow (1992)⁶ and Rose (1988), this method gives judges more latitude in making decisions and for targeted, case-by-case actions that may be directed toward particular businesses, persons, or industries.

International trade and investment agreements, as well as multilateral organizations like the World Trade Organization (WTO), contain restrictions that can be circumvented by nations through the use of China Pacific (CP). Crucially important is the absence of a supranational entity with control over CP. Murray (2019) highlights the failed attempts to create an international antitrust enforcement agency since rich and developing nations have divergent interests. The WTO's 2004 decision to exclude trade and CP relations from its Doha Ministerial Declaration work program emphasizes this point (Bhattacharjea, 2006).

There have been continuous international efforts to integrate competition policies (CP) through institutions including the International Competition Network (ICN), UNCTAD, and OECD. These organizations seek to develop best practices regarding CP principles and encourage collaborative efforts. They are unable to stop nations from acting in a protectionist manner, hence national competition authorities (NCAs) are left in charge. This is particularly true in the European Union, where NCAs are required to apply European antitrust law under a decentralized enforcement system, but they also have considerable discretion to customize enforcement tactics to the particularities of their respective jurisdictions (Cengiz, 2016; Bernatt & Zoboli, 2023). Because of their autonomy and the dual nature of CP, national governments frequently employ NCAs as instruments of political and economic power to thwart foreign direct investment (FDI) and advance

⁵ China's Foreign Investment Law of 2019, the US Foreign Investment Risk Review Modernization Act of 2018, and the EU's framework Regulation 2019/452 are a few examples.

⁶ While a rule forbids "driving faster than 55 mph on freeways," as Kaplow (1992, p. 560) implies, it also

forbids "driving at excessive speeds on freeways," meaning that the court may be asked to decide both the factual concerns and the specifics of what behavior is acceptable.

protectionist policies. A supranational competition body with strong enforcement capabilities is advocated to offset these trends (Portuese 2022a, p. 239). To do this, though, calls for a thorough reform agenda as well as a united effort on the part of the major nations to embrace and carry out these reforms.⁷

Towards Regulating Protectionist Policy: A Prognosis for CEE States

Current Posture and Hurdles

Concerning equitable access to the markets of Central and Eastern Europe, Russia has a two-pronged approach: bilateral agreements and using its participation in international organizations such as the WTO. According to Baldwin (2016) and Evans & Rauch (2016), bilateral agreements, like the one between

Russia and Belarus, are designed to lower trade obstacles, such as customs charges, and make it easier for goods and services to reach markets. Furthermore, Russia has been able to protect its market access rights and remedy trade agreement violations by using the WTO's dispute resolution procedures since joining the organization in 2012, as noted by Delgado, Porter, & Stern (2015) and Gereffi, Humphrey, & Sturgeon (2015). Russia can effectively oppose protectionist policies and strengthen its economic connections with Central and Eastern Europe by utilizing this combination strategy.

Year	Indicator	The value
2019	Digital economy turnover	4.7 trillion rubles (Ministry of Communications of Russia)
2021 Q1	Growth of trade volumes of the Russian Federation and Poland	+7.3% (TASS)
2021 Q1	Growth of trade volumes of the Russian Federation and the Czech Republic	+9.8% (TASS)
2022 H1	Reduction of trade volumes of the Russian Federation and Poland	-12% (Interfax)
2022 H1	Reduction of trade volumes of the Russian Federation and the Czech Republic	-9.8% (Interfax)
2022	Construction of the Rostselmash plant in Slovakia	in the process (RBC)
2022	Work on the development of economic ties between Russia and China	actively
2022	Work on the development of economic relations between Russia and India	actively
2022	Work on the development of economic relations between the Russian Federation and the countries of Africa and Latin America	actively

Table 1. Turnover in projects between CEE and Russia (2019-2021)

⁷ Scholars' differing opinions about the opportunities presented by trade agreements, like the US-China 2020 Phase One Trade Deal, demonstrate how challenging it is to discern "what's cooking" in international relations and how willing the parties actually are to improve the political environment through sincere cooperation. Some academics celebrate it as a truce in the trade war, a turning

moment in the two nations' economic ties, and most importantly, a show of hope for the multilateral trading system's future (Lowe, 2022). However, other academics draw attention to the agreement's discriminatory handling, since it requires both nations to abide by trade quotas that are against WTO regulations. By doing this, it would have made the global trade system even more vulnerable (Jones, 2023).

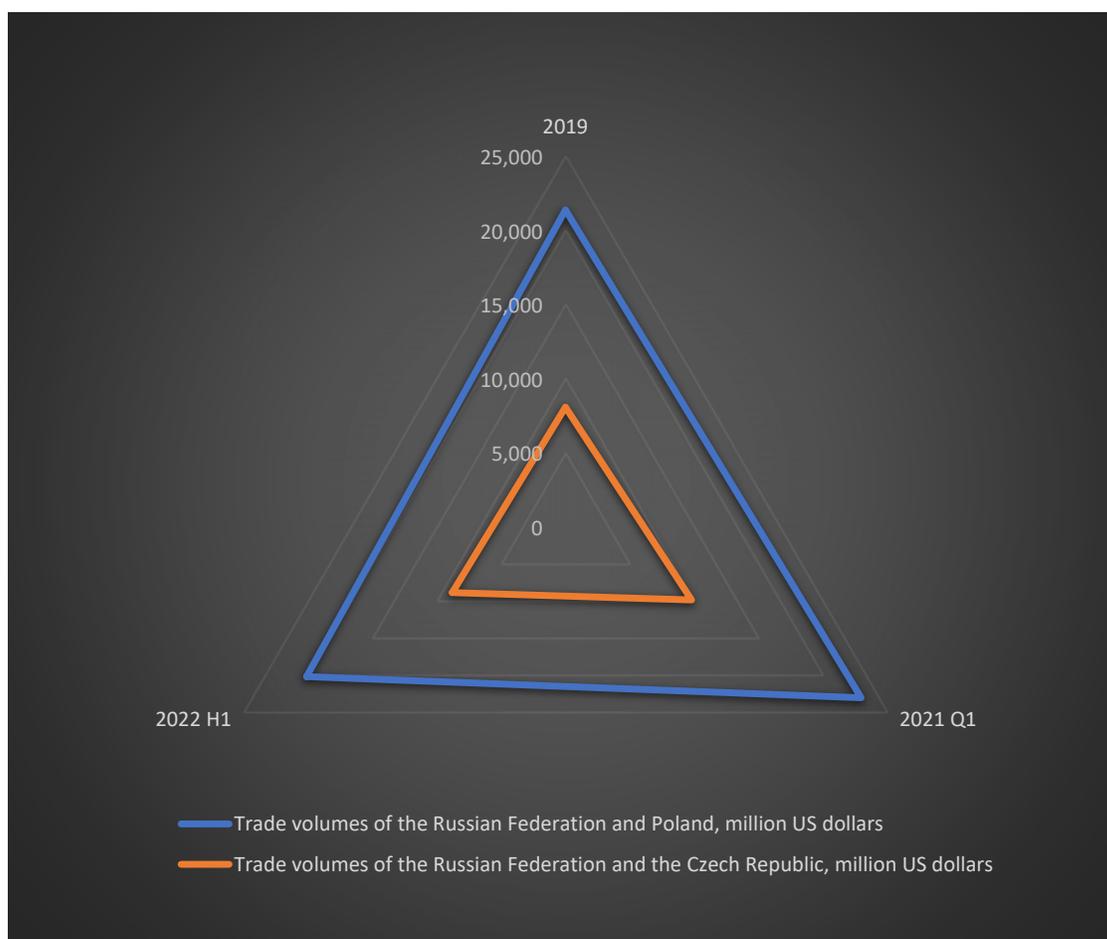


Figure 1. Turnover in projects between CEE and Russia (2019-2021)

Table 1 above presents data on the state of trade relations in the Central and Eastern Europe region, as well as some economic projects in Russia for the period from 2019 to 2022. According to the data, in 2019, the turnover of the digital economy in Russia amounted to 4.7 trillion rubles, which indicates the importance of the development of digital technologies in the country's economy. Then again, for the first quarter of 2021, trade volumes between Russia and Poland increased by 7.3%, and trade volumes between Russia and the Czech Republic increased by 9.8%. The table also shows some economic projects that are being implemented in Russia in 2022, such as the

construction of the Rostselmash plant in Slovakia and work on the development of economic ties between Russia and China, India, as well as countries in Africa and Latin America. However, in 2022, countries of Central and Eastern Europe experienced a significant reduction in trade with Russia following tough economic sanctions imposed by Western countries on Russia. Thus, in the first half of 2022, the turnover of goods between Russia and Poland decreased by 12%, and with the Czech Republic - by 9.8%.

CEE country	National market	Access rights	Protectionist measures
Poland	Pharmaceutical industry	Limited right of access for foreign companies	Introduction of taxes on the import of medicines
Czech	Electronics	Equal right of access for all	Restricting the import of

		companies	electronics
Hungary	Food industry	Limited right of access for foreign companies	Introduction of quotas for food imports
Slovakia	Mechanical engineering	Equal right of access for all companies	Increase of customs duties on import of cars
Romania	Construction	Limited access rights for foreign companies	Introduction of licensing for foreign companies

Table 2. Nuances of the right of equal access to CEE national markets

Table 2 above shows the differences in the access rights of national and foreign companies in the markets of Central and Eastern Europe, as well as the protectionist measures applied by some countries with respect to imports of goods and services. Based on expert forecasts, it can be assumed that in 2023 the situation with access to the national markets of Central and Eastern Europe for countries without the Russian economy will not change significantly. Considering the possible deterioration of relations between Western countries and Russia, some participating countries may face new challenges and threats in trade relations. Hence, it is critical to improve the mechanisms for regulating trade relations and to develop cooperation within the framework of regional and international organizations, such as the World Trade Organization (WTO) and the European Union (EU). This will allow the participating countries to cope with the possible negative consequences of protectionist policies and restrictions on market access, as well as provide new opportunities for expanding trade relations and strengthening economic ties in the region. In any case, some countries in the region, such as Belarus and Slovakia, continue to strengthen their economic ties with Russia. The countries of Central and Eastern Europe should continue efforts to diversify the economy and expand markets for goods to reduce dependence on individual countries and ensure stable growth and development of economic sectors in the region (Ornelas, 2016).

Engendering FDI-friendly Markets

The major goal of mitigating unfavorable policy trends is to keep the climate conducive to foreign direct investment (FDI). These prospects are contingent upon two major factors: (i) a decline

in protectionism worldwide and enhancement of market regulatory institutions; and (ii) reforms by governments to reduce the concentration of National Competition Authorities (NCAs) and improve the implementation of Competition Policy (CP). Keeping the latter in mind, CP's main goals can be matched to reduce the chance of NCA acquisition. As stated by Stucke (2009), this entails giving up non-competition aims and upholding prospectivity, accessibility, clarity, non-discrimination, predictability, and consistent application of the rule of law. It is also essential to strengthen NCAs by utilizing more resources and instruments, such as leniency programs and private enforcement. These actions would improve CP's reputation and promote an inclusive business environment for international investors, all at the exclusive discretion of national governments.

An important aspect of the development of economic relations between countries of Central and Eastern Europe and other regions of the world is the development of trade and economic cooperation with Russia. In the context of sanctions policy, various mechanisms can be used to strengthen economic ties between Russia and the countries of Central and Eastern Europe. One of such mechanisms is the creation of joint ventures. For example, in 2022, the Russian manufacturer of agricultural machinery Rostselmash began construction of a plant in Slovakia (Janicka, 2021). Indeed, Russia actively continued to develop economic ties with China, India, as well as countries in Africa and Latin America throughout 2022.

Altogether, the research underscores the need to diversify the economy in the region and search for new markets. They also emphasize the importance of developing international

economic relations and cooperation between countries to ensure stable growth and development of economic sectors in the region.

Year	Country	Indicator	The value
2021	Poland	Export to EU countries	244 billion euros
2021	Poland	Imports from EU countries	222 billion euros
2021	Czech	Export to EU countries	176 billion euros
2021	Czech	Imports from EU countries	172 billion euros
2021	Hungary	Export to EU countries	125 billion euros
2021	Hungary	Imports from EU countries	121 billion euros
2021	Slovakia	Export to EU countries	89 billion euros
2021	Slovakia	Imports from EU countries	84 billion euros
2021	Romania	Export to EU countries	76 billion euros
2021	Romania	Imports from EU countries	79 billion euros

Table 3. Intra-CEE trade volume for 2021

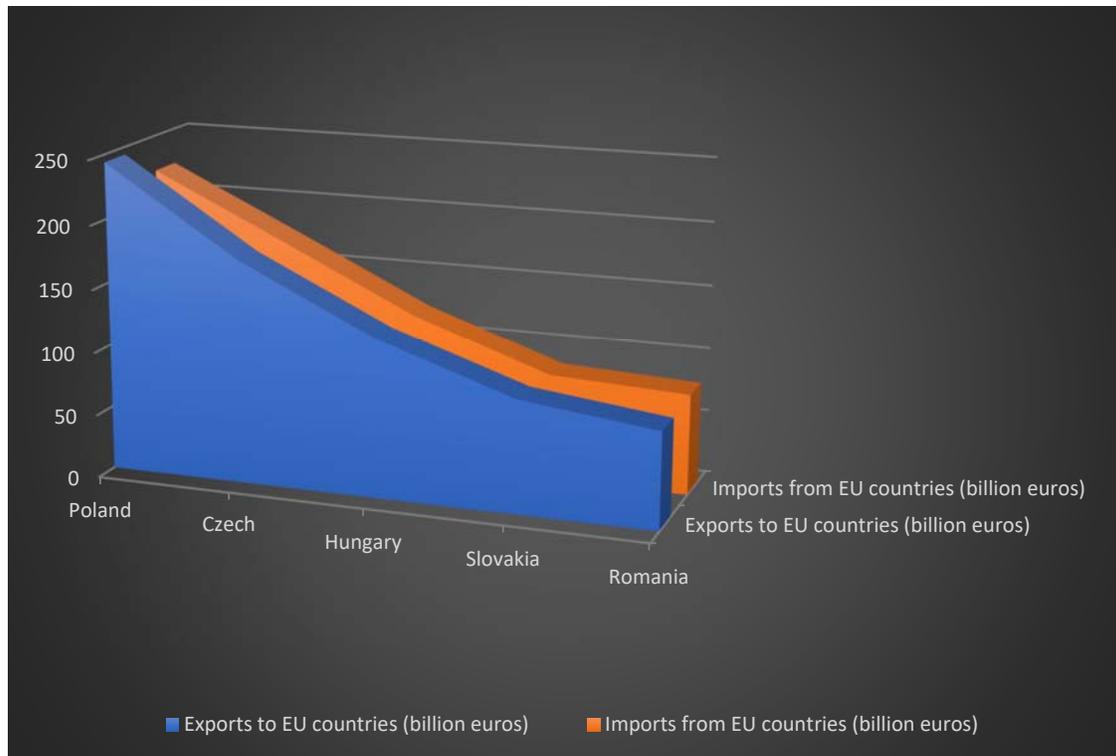


Figure 3. Intra-CEE trade volume for 2021

Year	Country	Indicator	Meaning	Value in % change
2022	Poland	Export to EU countries	233.3 billion euros	+7,9%
2022	Poland	Imports from EU countries	212.5 billion euros	+8,4%
2022	Czech	Export to EU countries	174.4 billion euros	+6,8%
2022	Czech	Imports from EU countries	168.3 billion euros	+8,2%
2022	Hungary	Export to EU countries	127.8 billion euros	+9,4%
2022	Hungary	Imports from EU countries	120.3 billion euros	+11,3%
2022	Slovakia	Export to EU countries	92.9 billion euros	+9,3%
2022	Slovakia	Imports from EU countries	89.7 billion euros	+9,5%
2022	Romania	Export to EU countries	80.9 billion euros	+8,7%
2022	Romania	Imports from EU countries	82.4 billion euros	+10,2%

Table 4. Volume of trade between CEE countries in 2022

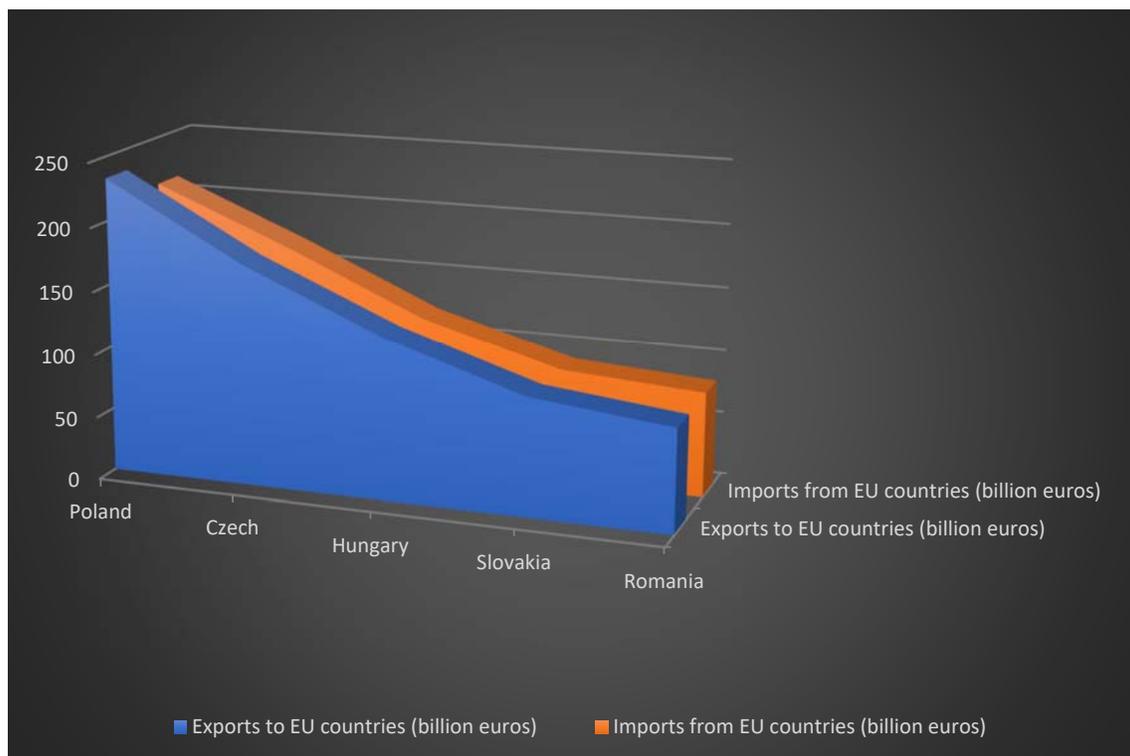


Figure 4. Volume of trade between CEE countries in 2022

Table 4 above presents data on trade relations between CEE countries for 2022. According to

the results, there has been an increase in exports and imports of almost all countries in the EU,

including Poland, the Czech Republic, Hungary, Slovakia and Romania. The largest values are in Poland, which received an increase in exports by 7.9% and imports by 8.4%, and in Hungary, which saw an increase in exports by 9.4% and imports by 11.3%. Slovakia increased exports by 9.3% and imports by 9.5%. Romania increased exports by 8.7% and imports by 10.2%. In general, the growth of trade relations between the CEE countries and the EU countries is predicted to continue, which may be favorable for the economic development of the region.

Equal access to the national markets of Central and Eastern Europe (CEE) is an important aspect in international economic relations. As part of the protectionist policy, CEE countries can implement measures to protect their economies and national producers. Below are some examples of projects that demonstrate the possibilities of realizing the right to equal access to markets within the framework of such a policy:

- Deepening integration within the Visegrad Group (Poland, Czech Republic, Slovakia, Hungary): In numbers, this may mean a reduction in tariffs for goods and services between these countries from the current 5-10% to 1-2%.
- Creation of a common energy market in Central and Eastern Europe: This may lead to a reduction in energy prices for the participating countries by 10-15%, due to increased transportation efficiency and cooperation between national energy companies.
- Development of the North-South transport corridor: The project can stimulate investment in infrastructure, facilitating access to markets and reducing transport costs by 20-30% for the participants of the region.
- Support for small and medium-sized businesses: Government programs to subsidize interest rates on loans and development grants can help increase the number of enterprises by 10-15% and create equal conditions for competition in the

market.

- The Digital Central and Eastern Europe Project: The development of digital infrastructure and support for innovative projects can lead to a reduction in digital inequality in the region, increasing access to the Internet and digital services for the population by 5-10%.
- Development of cross-border cooperation between CEE and the European Union: Integration in the field of education, science and technology can contribute to an increase in the number of joint research projects by 15-20% and the exchange of experience between the countries.
- Creation of regional investment funds to support infrastructure projects and private sector development: These funds can attract additional investments in the amount of 2-3% of the region's GDP and provide equal opportunities for enterprises of all participating countries.
- Formation of a common CEE labor market: Agreements on the free movement of labor and recognition of qualifications can help reduce the unemployment rate by 5-7% and increase wages by 10-12%.
- Development of green economy and environmental cooperation: State support and joint projects to switch to renewable energy sources, improve waste management and protect natural resources can reduce harmful emissions by 15-20% and increase the share of environmentally sustainable enterprises by 10-12%.
- Promotion of cultural exchange and tourism: The development of tourism infrastructure and promotion of the cultural heritage of CEE can increase the attendance of the region by 10-15% and contribute to the equal distribution of tourism income between countries.
- Development of the agroindustry sector: Joint programs to modernize and increase the productivity of agricultural enterprises can increase agricultural production by 10-15% and ensure equal access to markets for

farmers from all countries of the region.

- Support for innovations and startups: The creation of regional innovation hubs and venture funds can lead to an increase in the number of startups by 20-25% and provide equal opportunities for entrepreneurs from CEE.
- Ensuring equal access to financial services: The development of microfinance and financial literacy can reduce poverty by 5-8% and provide equal opportunities for the population to access financial resources.
- Regional cooperation in the field of healthcare: Cooperation between CEE countries in the exchange of experience, training of specialists and joint research projects can improve the quality of medical services and reduce morbidity by 10-12%.
- Improving the quality of education: Cooperation in the field of educational reforms and the exchange of pedagogical experience can increase the literacy rate by 3-5% and ensure equal opportunities for students and students from all countries of the region.

Equal access to the national markets of Central and Eastern Europe is fostered through several international initiatives and regional projects that promote integration and cooperation between countries. One of the key aspects is the strengthening of transport infrastructure, which can reduce transport costs by 20-30% for the countries of the region, facilitating market access and stimulating trade. In this regard, attention should be directed to reducing administrative barriers and simplifying customs procedures, which can lead to an acceleration of the processing of goods at the border by 25-30% and reduce the costs of exporters and importers. This is important for stimulating regional trade and ensuring equal access to markets (Helpman, 2018).

Also, cooperation in the field of education and science plays an important role in ensuring equal access. Joint research projects can increase their number by 15-20%, facilitating the exchange of experience and knowledge between the

countries of the region. Strategies for the development of human capital, including improving the system of vocational training and skills development, can lead to an increase in labor productivity by 10-12%. This will ensure equal access to education and employment for the population of different countries of the region.

For the successful realization of the right of equal access to the national markets of Central and Eastern Europe, it is also important to focus on the development of information and communication technologies (ICT). Projects to expand access to high-speed internet and improve the quality of communication in the region can increase the level of digital literacy of the population by 10-15% and provide equal opportunities for the development of e-commerce and online business (Grossman & Helpman, 2018).

As part of a protectionist policy, focusing on the development of industry clusters and specialized economic zones in Central and Eastern Europe can help to increase the competitiveness of local production by 20-25% and create equal conditions for all market participants (Maddison & Rehdanz, 2016). Closely related, supporting innovation and startups is another area that promotes equal access to markets. The creation of regional innovation hubs and venture funds can lead to an increase in the number of startups by 20-25%, providing equal opportunities for entrepreneurs from Central and Eastern Europe.

In addition, strengthening regional cooperation in the field of energy can help reduce dependence on energy imports by 15-20% and ensure equal access to energy resources for all countries in the region. This is important for ensuring energy security and stability of economies (Kaczmarek & Poguntke, 2018). Then again, green economy and environmental cooperation also have an impact on equal access to markets. The implementation of joint projects to switch to renewable energy sources and improve waste management can reduce harmful emissions by 15-20% and make enterprises environmentally sustainable.

When carrying out projects within the

framework of equal access to national CEE markets, it is also important to consider social aspects. The development of social programs and cooperation in the field of social protection can reduce the level of inequality in the region by 7-10%, providing equal opportunities for the population and contributing to the growth of well-being. Take the field of healthcare for instance. Cooperation between CEE countries in the exchange of experience, training of specialists and joint research projects can improve the quality of medical services and reduce morbidity by 10-12%. This, in turn, improves the quality of life of the population and allows maintaining equal conditions for all countries of the region.

At the regional level, Central and Eastern Europe are actively working to strengthen the legal framework and integrate national legislations, which can improve the consistency of regional standards by 15-20% and reduce the costs for enterprises associated with compliance with numerous rules and regulations. Take the aspect of labor relations and migration for example. Close cooperation on the management of skilled migrants within CEE countries can contribute to an increase in employment by 8-10% and improve working conditions. The exchange of experience and joint implementation of programs aimed at regulating labor migration will ensure equal access to the labor market and the involvement of qualified specialists (Grabbe, 2020).

Already cooperating in the field of tourism, countries of Central and Eastern Europe can increase the influx of tourists by 12-15%. The development of infrastructure and the joint promotion of tourist routes between the countries of the region will ensure equal access to tourist markets and stimulate economic development. This dovetails into cooperation in the field of culture and sports as a catalytic factor in fostering equal access to CEE markets. The organization of joint cultural events and sports competitions can increase the number of international events by 18-20%, facilitating the exchange of cultural and sporting achievements between the countries of the region (Haid & Jaśkiewicz, 2016).

Conclusion

Equal access to the national markets of Central and Eastern Europe is influenced by several forms of economic gatekeeping. A new wave of protectionism that affects both rich and developing countries has resulted from the recent changes in global economic policies. Traditional trade barriers are not the only elements in this trend; offshore operations, migration, money flows, and foreign direct investment (FDI) are also included. A danger to the post-World War II global economic order, these protectionist policies are associated with the development of populism and particularly affect multilateral organizations like the WTO. By reorienting the focus from collaborative globalization to rivalry driven by national security concerns, techno-nationalism exacerbates the situation. More severe FDI screening procedures and strategic protectionism in important industries have resulted from this.

Under these circumstances, national competition agencies, or NCAs, have two roles to perform. Depending on national interests, they can use their competition policy (CP) to either encourage or prohibit foreign direct investment. The lack of a supranational organization in charge of supervising CP enables nations to evade trade and investment agreements, advancing protectionist objectives. However, despite efforts to unify CP principles by the likes of the ICN, UNCTAD, and OECD, national NCAs continue to wield considerable influence. In order to buck this tendency and create a welcoming atmosphere for foreign investors, it is crucial to reinforce NCAs and match CP goals with values like non-discrimination and predictability.

In light of current global trade protectionism, it's crucial to analyze trade regulation's impact on market access rights in Central and Eastern Europe. The 2021-2022 trade data analysis suggests potential for trade expansion in this region, but effective regulatory mechanisms and collaboration are essential. Facing challenges from market access restrictions, CEE countries need to diversify their economies and expand market opportunities, necessitating improved

trade regulatory mechanisms and enhanced cooperation within the WTO and EU frameworks.

The research on the potential for regional growth and development under protectionist policies in international economic relations regarding the right of equal access to national markets in Central and Eastern Europe highlights this possibility. It emphasizes how important international and interregional cooperation is to obtaining fair market access. Among the study's main conclusions are:

- Transport Infrastructure: Improvements result in a 20–30% decrease in transport expenses, which has a big effect on trade efficiency.
- Collaborative Research Initiatives: A 15–25% rise in initiatives that promote creativity and technical progress.
- Green economy initiatives: Working together to protect the environment reduces harmful emissions by 15% to 20%, which supports sustainable development.
- Innovation and Startups: By increasing the number of startups by 20–25%, venture funds and regional innovation hubs promote economic diversification.
- Collaboration in healthcare: Lowers morbidity rates by 10–12%, improving population health overall.
- ICT Development: Boosts digital literacy by 10% to 15%, which is essential for being competitive in the current economy.
- Customs and Administrative Efficiency: Reducing red tape results in a 25–30% speed increase in the processing of goods, which improves trade flow.
- Industry Clusters: Investment boosts regional production competitiveness by 20–25%, which is essential for maintaining a position in international markets.
- Energy cooperation ensures regional energy security by reducing reliance on energy imports by 15% to 20%.
- Social Programmes: By reducing inequality

by 7–10%, social protection initiatives and collaborations promote a more harmonious community.

These results imply that in order for Central and Eastern Europe to overcome the obstacles presented by protectionist policies and accomplish sustainable economic growth and social development, extensive cooperation and strategic alliances are crucial.

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