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LEGAL FACTOR IN SYSTEM STATE MANAGEMENT AND SOCIALLY ORIENTED MARKET ECONOMY

Annotation. The scientific work considers the essence of the market economy and its peculiar features. The special attention is devoted to the real contents of transition to the market economy under the modern conditions.

As a result of the research of the issue of social orientation of market economy, the author comes to the logical conclusion, that the practical realization of the aforesaid orientation is possible only on the basis of efficient application of the legal factor in system state management.

Аннотация. В научном труде рассматриваются сущность рыночной экономики и ее специфические особенности. Особое внимание заостряется также на реальное содержание перехода к рыночной экономике в современных условиях.

В результате исследования проблемы социальной ориентации рыночной экономики, автор приходит к логическому выводу о том, что практическая реализация вышеупомянутой социальной ориентации рыночной экономики возможна лишь на основе эффективного использования правового фактора в системе государственного управления.

Searching the problems of market economy is actual in the development of society of present moment when the new ways forming relations are going on and these relations are definitely different from commending and dictatorial system.

Economy, as it is known, practically everywhere represents the market economy, since, actually, economy does not exist without commodity production, and commodity production is impossible without the market.

At the same time, the term “market economy” envisages, on the one hand, the economy, the goal of which consists in getting the profits, and on the other hand, the economy, in which the regulatory role belongs to the market, i.e. this is the economy, which is characterized by existence of full freedoms of economic relations of the subjects, pluralism of property forms, diversity of forms of production activity and organizational-legal forms, which have equal possibilities of development.

The market economy is the economy, the management of which is mainly carried out through the market requirements and forces of delivery, under the terms of limitation of the role of the state in the economy. “Market economy, - according to R. Nureev, - is characterized as a system, based on the private property, freedom of choice and competition, it is based on personal interests and limits the role of the government” [1]. It should be specified that though, as it is known, the market economy is based on the private property, actually it is

based on the pluralism of property forms, under the terms of legal equality of these forms.

Therefore, the term “Market economy”, in our opinion, should envisage, on the one hand, the economy, aimed at the maximum possible profits through the application of various forms of its market economy, and, on the other hand, the economy, in which the main role belongs to the market mechanisms.

Hence, the market economy represents the economy aimed at the maximization of getting the profits through market mechanisms.

At the same time, the market economy, actually, means the comprehensive character of the market – market relations, that is typical for capitalism, i.e. the term “market economy”, according to the modern conception, practically means the capitalistic market economy, otherwise it is impossible to explain the substance of transition to the market economy, whereas, the market and subsequently the market economy are not typical only for the capitalism.

In connection with the substance of transition to the market economy, the special attention is devoted to the idea, that “These conceptions (the conceptions of transition to the market economy – A.K.) in the narrow sense, violating the real tasks of transition, give the reforming practice the orientation for movement directly (and only) to the capitalism (since the society is leaving “the socialism”) [2].

The issue of orientation of the society represents the subject of a separate special research, and as for the market economy and its orientation to get maximum profit, it should be noted, that, obviously, the establishment of economic wealth in the state represents the precondition of settlement of the social problems, but, at the same time, it is impossible for the obtained profits to mechanically serve the social goal – realization of public interests. This is just the reason, in our opinion, of the establishment of the socially orientated market economy conception, which equally with the realization of the economic purpose will solve the social problems as well.

One of the most important elements of the market mechanisms is the competition, which promotes the maximization of the profits.

At the same time, the competition, as it known, was called by Adam Smith as “an invisible hand” of the market, which (i.e. the competition) as a result of egoistic activity aimed to the getting the profits by separate individuals finally promotes the development of economy and satisfaction of requirements of the whole society, since, proceeding from the aforesaid, the competition as a result of the activity, aimed to the getting the profits, automatically causes the realization of the social purpose. Adam Smith wrote, in particular: “As a rule at that time, he (the man – A.K.) does not think about the social profit and does not realize the impact... He means only his own interest... In this case as in other numerous cases, he is managed by an invisible hand towards the goal, which was not envisaged at all... He follows his own interests, and more often effectively serve the society, than in case, when consciously think to do this” [3].

Proceeding from aforesaid, we have come to the logical conclusion, that the market economy in itself, as a result of action of “an invisible hand”, has “an

invisible” social orientation, since it leads us towards the significantly important result.

It should be noted that at present the given conclusion partially corresponds to the truth. Though, if in the period of life and activity of Adam Smith the theory of “an invisible hand” was of particular importance, nowadays, in our opinion, the content only with the competition and “an invisible hand”, represents the serious mistake, since, first of all, the maximum possible economic growth is unachievable without leading and regulatory legal and organizational role of state in the society, with maintenance of maximum possible freedoms of subjects of economic activity, and the second, even the high economic results, without the correspondent legal regulation, shall not be automatically transformed into the social orientation and, moreover, the practical realization of this orientation.

Hence, the settlement of the issue of social orientation of the market economy under the conditions of the competition is possible only through the efficient application of the legal factor.

References:

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УДК 351: 330.332

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ІННОВАЦІЙНА СКЛАДОВА МОДЕРНІЗАЦІЇ ЕКОНОМІКИ УКРАЇНИ

Анотація. Розглянуто основні показники та чинники економічного зростання в Україні. Досліджено тенденції спадання та піднесення економіки. Проаналізовано інноваційну складову модернізації як один з ключових чинників, що впливає на структурні перетворення в економіці.

Анотация. Рассмотрено основные показатели и факторы экономического роста в Украине. Исследовано тенденции подъема и спада экономики. Проанализировано инновационную составляющую модернизации как один с ключевых факторов, который влияет на структурные изменения в экономике.