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THE THEORETICAL ASPECT OF SOCIAL COMPETITIVENESS OF NATIONAL ECONOMY IN THE CURRENT ECONOMIC CONDITIONS

Стаття присвячена сутності конкурентоспроможності національної економіки. Розкрито сутність категорії конкурентоспроможності національної економіки в залежності від торгової концепції, концепції продуктивності, інвестиційної та інноваційної концепції. Охарактеризовано соціальну конкурентоспроможність національної економіки.

Ключові слова: конкурентоспроможність національної економіки, конкуренція, концепція конкурентоспроможності, концепція продуктивності, торгова концепція, інвестиційна та інноваційна концепції, соціальна конкурентоспроможність.

Статья посвящена сущности конкурентоспособности национальной экономики. Раскрыта сущность категории конкурентоспособности в зависимости от торговой концепции, концепции продуктивности, инвестиционной и инновационной концепции. Охарактеризована категория социальной конкурентоспособности экономики.

Ключевые слова: конкурентоспособность национальной экономики, конкуренция, концепция конкурентоспособности, концепция продуктивности, торговая концепция, инвестиционная и инновационная концепции, социальная конкурентоспособность.

The article is devoted to the description of the national economy competitiveness nature. The essence of the competitiveness as a category is considered depending on the trading concept, the concept of productivity, investment and innovative concepts. The social competitiveness of national economy is characterized.

Keywords: competitiveness of national economy, competition, concept of competitiveness, productivity concept, the concept of trade, investment and innovative concept, social competitiveness.

Research urgency. Modern economic realities strongly suggest that the pace and overall direction vector of social and economic progress of the national economy is largely dependent on the country's competitiveness. The objective of social competitiveness in the economy is to provide economic processes with social content and return economy with "a face-to-human". It's a measure of needs satisfaction and ways of implementation of all members of society and ensuring social security, sustainable and effective development through integration of efforts of government, business and civil society.

The degree of problem research. To date the profound theoretical framework of the national economy competitiveness is established. However, further research on the competitiveness of national economy is needed, especially the social aspect. In particular, there is no generally accepted approach to the interpretation of the competitiveness of national economy and its social component. Also there aren't identified key factors of social competitiveness ensuring and developed ways of improving this competitiveness that suit modern conditions.

The problem of social competitiveness of Ukraine's economy is considered in the works of such Ukrainian scientists as L. Antonyuk, Y. Bazylyuk, Z. Varnaliy, A. Halchynskyy, Z. Halushka, V. Heyets, Y. Zhalilo, E. Libanova, B. Kvasnyuk, I. Mansurov, H. Filyuk, B. Havrylyshyn, T. Gayday, O. Hrishnova, P. Yeshchenko, Y. Zaitsev, V. Ilyin, I. Mazur, I. Malyy, V. Mandybura, B. Paskhaver and others.

The purpose of the paper is to analyze the nature of modern conceptions of "competition" and "competitiveness of the national economy," reveal the theoretical and methodological basis of determination of these economic categories, to show the importance of national economic competitiveness in the transformation economy and to describe such category as social competitiveness of national economy.

The economic category "competitiveness of the national economy" entered the economic turnover in the 1980's, due

to increased competition between countries, although there were earlier mentions of the term. The issue of competitiveness has attracted the attention of many economists, prompting mixed views and fierce debates. In our opinion, in the broadest sense the competitiveness is the result of competition and means the property of the object as the degree of goal achievement in comparison with the best similar objects (meeting of specific need, getting a profit, growth of welfare, etc.). Thus in modern economic literature term "competitiveness" is used concerning various objects, including the national economy.

The study of foreign and domestic economic thoughts makes it possible to select four main concepts of national economic competitiveness, which consider the essence of this category, its key processes and factors. Let's consider these concepts in detail to identify the one that corresponds in best way with current trends in global competition and the realities of economic development.

The first concept that interprets the competitiveness of national economy as the effectiveness of trading activity of the country is traditional and still supported by many economists (B. Balassa, A. Bolto, R. Harris). This concept originated in the works of classical political economy school as a theory of absolute advantages by Adam Smith. According to this theory the international trade will be profitable, when two countries sell goods, which each country produce at the lowest cost [1]. As the theory of absolute advantages of Adam Smith does not explain why countries trade with each other, even in the absence of absolute advantages D. Rikardo formulated the theory of comparative advantages that theoretically justifies the effectiveness of trade for countries with lower productivity at the expense of imports, the domestic cost of which are higher than those goods, exports of which compensates for the payment of such imports [9]. The country becomes more competitive, if as a result of price or non-price factors its ability to sell on foreign or local markets increases. This situation makes it possible to select the price and non-price competitiveness of national economy.

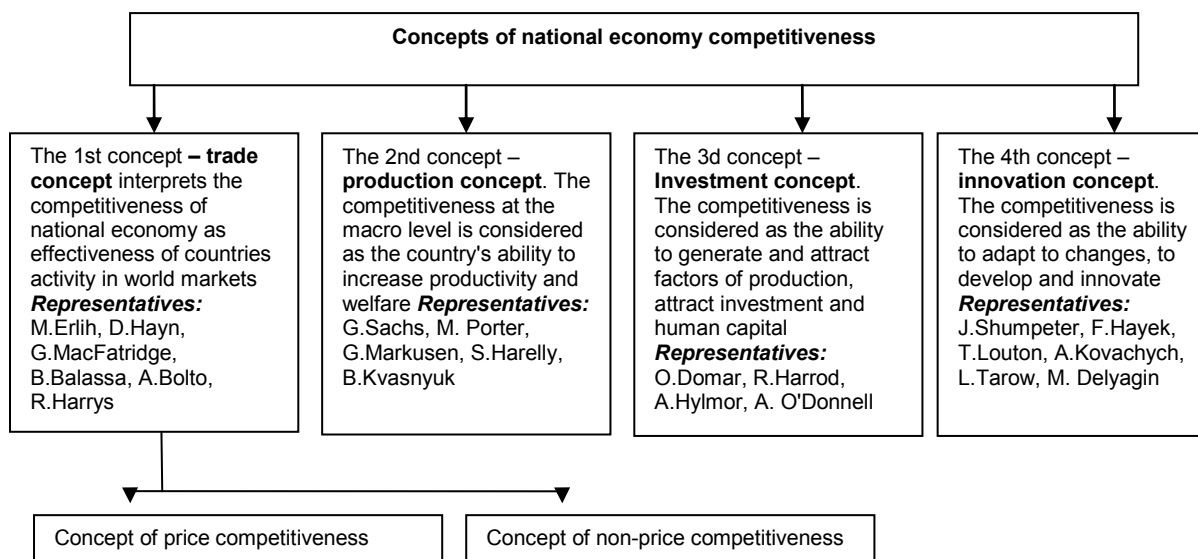


Fig.1. Concept of national economic competitiveness

Price competitiveness depends on the relative cost of labor for goods production, ie the ratio of export and import prices and also on the real exchange rate of the country's currency. So theorists, who support this idea, consider that if the national companies have problems with the sale of goods on international markets, the national currency should be devalued. It will change the situation because product prices on domestic producers' goods will be lower for foreign clients. In this context, one of the indicators of price competitiveness of the country is the real effective exchange rate (REER), which is determined by changes of inflation and exchange rates of countries – major trade partners.

Basic fundamentals of non-price competitiveness concept and the first theoretical ideas of competition between countries as a whole were grounded by mercantilists. They believed that the success of the country in international competition depends on its efficiency in international trade. Modern representatives and supporters of the concept of non-price competitiveness believe that the competitiveness of national economy depends on the current account balance and the share of countries in the world market. The indicator that reflects the non-price competitiveness is Revealed comparative advantage index. It was introduced in the work of B. Balassa "Trade liberalization and revealed comparative advantage", and applied to a large number of research studies, including the report of the United Nations about industrial development "International review: comparative advantage in the industry: change in trade and resource profiles of countries," in World Bank report "China: reforms in export trade" and others.

Representatives of the second concept, the industrial concept of competitiveness of the national economy, actually identify it with productivity. They focus on the research of results of the national economy performance (M. Porter, G. MacFatrige, L. Bad) [4]. Thus a number of authors believe that it is necessary to examine separately the concept of competitiveness as the level of productivity and the concept of per capita income.

The category of "productivity" refers only to one of the inputs, so it cannot be considered as illustrative indicator of national economic competitiveness. The income per capita depends on the total factors productivity. According to the second concept indicator of national economic competitiveness is the GDP per capita, which, indeed, is very illustrative, because it takes into account all measurable material things. But this approach does not take into account

intangible benefits. Also we should note that high GDP does not necessarily mean the welfare of the nation, as problem of uniformity of income distribution is not taken into account and etc.

Production concept of competitiveness is laid in the basis of the calculation and ranking the competitiveness of countries by the International Institute for Management Development in Lausanne.

Each country is evaluated by analyzing 331 criteria in four main areas: the economy, government efficiency, business efficiency and state of infrastructure as well as several other factors that reflect the key economic indicators. However, the system of indicators of competitiveness is, first of all, applied function, as has been developed and used by national authorities for monitoring the competitiveness of the national economy. Thus ranking does not pursue the goal of summing of multidirectional indicators into the one index, but rather seeks to achieve the goal of identifying areas to improve competitiveness. The disadvantage of this system of indicators is its eclecticism, and what it covers and measure simultaneously all the areas that may be relevant to national competitiveness, and focuses on the important factors of modern development.

The third concept of competitiveness of national economy is based on the ability of countries to attract mobile factors of production (investment, human capital), ie on the attractiveness of the country. The economic prosperity of countries, according to representatives of this concept (A. Kovachych, O. Hilmore, D. O'Donnell), due to their ability to generate economic activity. This approach is used by some international organizations in the formation of specific competitiveness ranking based on opinions of entrepreneurs about the most attractive countries for business. Ideas of this concept are largely based on Keynesian theory postulates, the leading idea of which is the need to create conditions for economic growth through the formation of mechanisms of investment attraction [10]. J.M. Keynes believed that the increase in investment causes growth of consumer demand, which in turn leads to increased employment and national income. Further development of theory of investments is found in the research of British economist Robert Harrod and American economist O. Domar. R. Harrod showed that the rate of economic growth is directly proportional to the ratio of investments (savings) [11]. The most important indicator of national economic competitiveness, according to the investment

concept is foreign direct investments, as investors in choosing the investment object, look for the largest returns and reliability, as the country with the highest possible returns will attract more investments, and thus, according to supporters of this concept, will be more competitive.

The latter concept of competitiveness is based on the country's ability to adapt quickly to changes, to develop and implement innovation, so it is based on the functional concept of competition, which involves contest on the basis of finding new information, implementation of scientific and technological progress, and more. So according to J.Shumpeter main bust capitalist economy gets from the production of new products using new technologies, entering new markets, adoption of new forms of organization [3]. The ability to adapt to changes and innovation in post-industrial economy is a critical factor in ensuring competitiveness.

The concept of innovation competitiveness is based not only on the theory of Y.Shumpeter, but also on alternative theories of international trade, such as the technological gap theory, the theory of product life cycle model of high technology specialization and others.

The innovative concept of competitiveness was used by representatives of the World Economic Forum in the process of determination methods of the Global Competitiveness Index. The disadvantage of this ranking is that countries are recommended to develop factors depending on the stage at which it is, that countries with low GDP per capita should focus on basic factors of production. However, we believe that in this era of globalization and post industrialization for such countries it will be increasingly difficult to compete on world markets, because increased competition based on innovation is the main trend of modern global markets.

In addition, the share of innovative factors in the Global Competitiveness Index, even for developed countries does not exceed 30%. We believe that innovative factors much greater impact the competitiveness of these countries. Most calculations performed for the second half of the twentieth century, show that the contribution factor of scientific and technological progress is or exceed 50% in developed countries [12, p.18]. Therefore, in the context of the innovative concept of competitiveness it's needed to increase the share of innovative factors. It leaves the logic of calculations and also changes the priorities of economic development in strengthening the innovative factors. In turn, focus on innovation factors will contribute to more rapid strengthening of counties' competitiveness.

Each of the discussed concepts of competitiveness of national economy though differently interprets its nature and focuses on one or another key factor is not contrary to each other. In addition, the indicators that measure the competitiveness of the various concepts are interrelated. Thus the value of investments and exports are included in GDP, and most modern competitiveness ranking (both general and special) use common indicators, although they give different degree of attention.

Based on research of competitiveness concepts and synthesis of different views of scholars on the nature of this category it is proposed to treat the essence of economic category "competitiveness of the national economy" as the ability of national economic subjects to compete in world markets through the creation of such conditions of economic performance to ensure subjects the opportunity to increase innovative activity and performance, and as a result achieve a high level of prosperity and national security.

Based on experience of market economy reforming post-socialist countries have shown that social transformation is complex, ambiguous, often very controversial. During the market transformations it was defined social priori-

ties of state policy. Also it was formed the national model of social protection. Market organizational culture develops through the formation of various forms of ownership, liberalization of economic relations, democratization of management systems, increasing the social responsibility of business entities. Under the influence of science and technology the content and nature of work are changing, the quality of human capital is improving; the intellectual property is getting the great importance. Citizens are increasingly aware that social status and welfare define the knowledge, skills, experience, intellectual capacity and social values. Now social values are fairness, social responsibility, collective solidarity, social capital, economic culture of business. But along with the positive signs are negative trends in social processes, for example forced unemployment, poverty, stratification, threatening income differentiation; restrictions for certain categories of people to access to public goods, the rights of possession, use and disposal of property, corruption, shadow economic relations, inefficient system of social protection.

Level of human abilities and human capital formation, which turns a man on a main value and the efficiency factor of social and economic development, is getting the great importance.

Place and social role of government, business and civil society in the regulation of social and economic processes is changing – there is a sharp restriction of social and regulatory functions, partial denial of social security in favor of social insurance, limiting the scope of state influence on the processes of distribution and redistribution of GDP, improving the degree of autonomy of local authorities and civil society in addressing social problems.

Conclusions. Thus, basing on the conducted research we may conclude that social competitiveness is an integrated category which is to provide economic processes with social content. It measures the needs satisfaction and ways of realization of all members of society for sustainable and effective development of national economy through the integration of efforts of the government, business and civil society and creates conditions for realization of creative abilities, welfare growth, ensuring social security and social stability in society.

Its basic nature is determined by effective guarantees of employment and opportunity to generate income sufficient to provide material and spiritual needs and growth of welfare, compliance of minimum incomes for minimum standards, reliable social security system and social ensuring, stability of social life, protection of property rights, civil and political rights; freedom of choice of activities, features self-identity and the principles of social justice.

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BUSINESS INTELLIGENCE TECHNOLOGY: CAPABILITIES, APPLICATION AND FEATURES IN UKRAINE

Статтю присвячено застосуванню новітніх аналітичних інструментів, що сприяють підвищенню конкурентоспроможності суб'єктів економіки. Особливу увагу приділено вивченню ринку BI-систем, визначено його тенденції та основні гравці. Проаналізовано особливості та перспективи реалізації BI-технологій в Україні.

Ключові слова: BI-технологія, ринок BI, BI-інструменти, конкурентоспроможність.

Статья посвящена применению новейших аналитических инструментов, способствующих повышению конкурентоспособности субъектов экономики. Особое внимание уделено изучению рынка BI-систем, определены его тенденции и основные игроки. Проанализированы особенности и перспективы реализации BI-технологий в Украине.

Ключевые слова: BI-технология, рынок BI, BI-инструменты, конкурентоспособность.

The article is devoted to the application of new analytical tools to help improve the competitiveness of the economic agents. Special attention is paid to BI market, its trends and the main players are defined. The features and prospects of implementation of BI technology in Ukraine are analyzed.

Keywords: Business Intelligence (BI) technology, BI market, BI tools, competitiveness.

The process of making complicated managerial decisions in the constantly changing environment of real economy functioning mechanism is a very difficult task that requires the profound situation analysis. All real processes taking place in modern social, economic and business systems are dynamic and can be described with enormous data arrays only. The key issue for the stable development of a system is the processing of this data and getting new knowledge about its capabilities and potential. Therefore it is reasonable to make optimal managerial decisions with the help of scientific methods that reflect the specific character of system performance. Under such circumstances the development of holistic decision-making mechanism becomes crucial. The basis for such mechanism would be the principles of proactive system management, and the data mining would be the primary tool.

Analytical applications and databases intended to implement the intelligent way of business management (Business Intelligence, BI) are the most promising tools offered on the market of data processing and visualization technologies used for managerial decision-making. BI tools are intended for business performance measurement and managerial decisions assessment with an aim of securing the effectiveness of decision-making process. The origin of BI technology inspired the origin of information analysis systems of new generation that include different data mining tools.

There are many publications devoted to the development of BI technology and applications used in applied economics including specialized journals, such as "Information Technologies for Management" [1] and "Management Systems and Machines" [2], scientific publications [3-5], publications in the Internet, for instance PC WEEK/UE [6-8], "Computer Review" [9-11], "CNews Analytics" [12], and websites (portaltele.com.ua [13], si.ua [14], ain.ua as well as websites of the companies present on the BI market – Citia BTC [15], RBC Group, BIT-Impulse, TComTech, Intellect-Service – stand out). Generally the main attention in such publications is paid to the usage of BI system tools for solution of specific applied problems.

There are several main premises for the development of such holistic decision-making mechanism that will take into account modern requirements for quality of managerial

decisions. They are as follows: development of theoretical, methodological and instrumental levels of such mechanism, synthesis of relevant economic and mathematical models, and securing the realization of proposed methods through application and development of information technologies and systems. Hence the research connected with the analysis of capabilities and perspectives of modern BI systems and technologies, BI tools market, quantitative and qualitative indicators of BI technology application. In this respect the research of international experience, world BI market trends and their manifestation in Ukraine is particularly topical. The application of latest analytical tools that support decision-making by individual economic agents must become an important step to increase their competitiveness and form development strategy that will have a strong impact on the increase of Ukrainian economy competitiveness.

The objectives of this research are: investigation of BI systems features (in comparison with other corporate software) that enable the application of the management mechanism on the basis of data mining; estimation of Ukrainian companies automation level as well as the level of BI tools application for decision-making process support; analysis of world, Russian and Ukrainian BI market trends and obstacles for BI systems development in Ukraine. All that will help analyze informational support for efficient business strategies for the agents of Ukrainian economy.

There is no unified classification of BI systems. The main approaches are formed by studies of three companies investigating the BI market: Gartner (functional approach), Forrester (two groups of systems: those aimed at transformation of raw data into valuable relevant information used for decision-making and those aimed at data preparation and usage in analysis, reporting, productivity management and information delivery) and IDC (two groups of systems: QRA (end-user query, reporting and analysis) systems and advanced analytics systems) [1-3, 5].

Summarizing the information concerning BI components and their functions [1-4, 6, 14], one can define multi-level BI architectural stack (Table 1).

According to classification by Gartner, BI tools must perform at least the functions of information integration,