The National Economy and its Efficiency: Specialization, Economic "Oases" and Regional Clusterization

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The problems and priorities of increasing the efficiency and competitiveness of national economies are described and analyzed. Regional specialization and development of a network of clusters as the main directions of social and economic development are discussed. The most important problems: development and modernization of national economies under conditions of globalisation and market internationalisation; national economy as a system and as an integral entity of economic activities. The most important priorities: formulation of principles of increasing the efficiency and competitiveness of national economies; formulation of priorities in economic development strategies, especially for transition countries; development of the idea of "oazes" as a system of special conditions for social economic growth; concrete solutions for the innovation activities in Lithuania, other Baltic and other Central and East European countries. The idea of "oases" as a new form of clusterization is described.

Introduction

In Lithuania and other Baltic countries, as well as in other countries of Central and Eastern Europe, very complex and rapid changes have been emerging lately, indicating the birth and further development of the society of a new type and the economy based on a new quality. These changes could be explained, on the one hand, by processes of *transformation*, arising in Central and Eastern Europe over the recent 10–15 years, and illustrating "transition" from a close non-democratic societal system with the plan economy towards an open democratic system with liberal market economy. On the other hand, fundamental processes of *globalization and market internationalization*, which can be attributed to the entire world, could interpret them.

An extremely important indicator of transition in Central and Eastern Europe is *expansion of the European Union*, which could be identified by the move of new members of the European Union from Central and Eastern Europe towards the integral social, economic, cultural and information space.

Effected by this transition, the principles of national economics and development prospects for a national economy change dramatically. Consequently, the development of national economy in each country starts functioning as a critical factor for globalization and integration into European processes, whereas the effectiveness of different national economies becomes more and more influenced by their competitiveness within international and global markets.

With currently active internationalisation of markets and globalisation, it is necessary to realise the sense of *national economic systems* and their significance in the general international economy anew, while it is also important to assess the prospects of further development of *every national economy* on the background of the tendencies of social economic progress in the modern world as well as in view of the intensity of competition and diversity of its forms.

The accelerating pace of the change of conditions raises the issue of efficiency and competitiveness of every national economy as an entity functioning in an international and global economic system.

The issue is preconditioned by the necessity to continuously develop each economy's capacity in order to ensure the enhancement of both efficiency and competitiveness.

The issue of every economy's efficiency and competitiveness is manifold. On the one hand, the essence of the issue arises from the shortage of possibilities to reinforce competitiveness and from inadequacy of the needs, which are determined by the factors of globalisation and market internationalisation. On the other hand, the essence of the matter is the *absence of theoretical models* designed for the selection and implementation of measures capable of ensuring the efficiency and competitiveness of national economy, or *impracticability* of their application in the present environment. This problem is very important for *all* countries, especially for *transition* countries in Central and Eastern Europe.

The situation mentioned above brings to life an important problem of competencies of various countries to develop and implement national strategies for their economic and social growth. These strategies could ensure both high standards of compatibility of the national economies and at the same time the identical value of their own priorities in economic and social progress to advanced standards of the European and global scope. This means that the problem of creation of state economic and social development strategy and the establishment of strategic priorities in Central and Eastern European countries could be regarded as a problem of great importance and relevance for the economics and management sciences.

Solution of this problem is *a task* of great importance for all countries of Central and Eastern Europe, including Lithuania and other Baltic countries.

In order to complete the task of the development and implementation of national strategies for country's economic and social growth, as well as establishment and assessment of its strategic priorities, *complex research* should be executed, using *specific research objects* and *research methods*.

These are the main research objects of this complex research:

the environment, determining the economic and social growth, in which political, economic and social transformations typical of Central and Eastern Europe and separate regions and countries can be observed and in which general processes of globalization and market internationalization manifest, representing a common context of economic and social growth of different countries;

possibilities for economic and social advancement of different countries, in selection and completion of certain strategic priorities.

The objective of research could be finding a way to secure preconditions to reach a high level of economic well-being and social quality in the country, preparation and implementation of efficient strategies for state economic and social development.

The research goals are the following:

- to examine and evaluate relevant issues in economic and social development, arising in various Central and Eastern European countries, in the situation of transformations, globalization, market internationalization and integration to the European Union,
- to foresee the possibilities for implementation of efficient development models, giving priority to advancement of science and technologies, creation of clusters and development of their networks, as well as a rational specialization of any national economy,
- to describe the idea of "oases" as the basic for the development of regional clusterization.

It is important to note that the research objects, goals and objectives should be envisioned as being absolutely critical both to the Central and Eastern Europe and each country of this region, including Lithuania.

Research methods to be used while solving the problem of strategy-building and prioritizing economic and social growth, are *complex*.

To conclude the statements given above, we can state that understanding, investigation and solution of these problems of social and economic growth in the countries of Central and Eastern Europe, including Lithuania and other Baltic countries, in the light of distinction of the processes of transformation, globalisation and integration to the European Union, manifest a very prospective course for research in the field of economics and management.

Efficiency and competitiveness of the national economic system and the idea of "oases"

The main definitions of the national economic system, its efficiency and competitiveness. A higher pace of globalisation and market internationalisation is the key feature of modern economic life that leads to the formation of a qualitatively new environment that, in its turn, impacts further social economic development. These processes prove the existence of a new potential for the development of a modern society, which takes root in a more rapid progress of science and technology, more abundant information and economic exchanges, and implementation of new values and priorities. They also point to new tendencies facilitating the realisation of global economic areas as sustainable evolutionary systems open to innovations and improvement of the quality of social life.

Some important problems of urgent social, economic and technological development, new tendencies of globalisation and market internationalisation are described and analyzed in many publications (Altvater and Mahnkopf, 1996; Calori, Atamer and Nunes, 1996; Gerber, 1999; Hunt, 2000; McNally, 1999; Parker, 1998; Munasinghe, Sunkel and de Miquel, 2001; Sangmoon, 2002; Krugman, 1997. Some problems, especially those of the efficiency and competiteveness of national economies in international markets, need more detailed analyses with regard to peculiarties of various countries and regions. Is is very important, for example, for "transitional" or "transformational" and for developing economies (Bateman, 1997; Hofbauer, 2003; Lavingne, 1995; Melnikas, 1997, 1999, 2002, 2003).

The rising significance of globalisation and market internationalisation insists that several appearing *issues, both theoretical and practical,* that have been neglected before or were investigated in a too limited and shallow way be revealed and assessed, as their comprehension and resolution may be an important precondition for a resolute and effective development of social economic progress, adequately responding to the new circumstances characteristic of global spaces and international markets.

The challenge of improving the efficiency and competitiveness of a national economy as a system and as an integral economic entity acting on global and international markets is among the issues to be tackled. In one's attempt to formulate and resolve this problem one should realise that every national economy may be treated in two ways: as an independent entity and as a specific entity characterised by its specific interests that are maintained by targeted development of economic activities in global and international markets.

One might argue that the lack of attention to this problem and to the latest development tendencies and an inadequate focus in modern theories limit the possibilities of preparing and carrying out necessary measures designed to invigorate the economic development and technological progress in global and international markets as well as to improve the activity of individual economic entities, states and international economic organisations: it is the latter condition that predetermines the *urgency* of dealing with the issue of higher efficiency and competitiveness of national economy as a system and as an integral entity of economic development functioning on global and international markets, since it needs to be defined in a more detailed manner and calls for specific theoretical as well as practical solutions.

For the realisation and resolution of the problem of increasing the efficiency and competitiveness of national economy as a system and as an integral entity of economic development functioning on global and international markets, the concepts used for wording these problems should be defined. Such concepts mainly cover the concept of national economy as a system and as an *integral entity of economic* development. The above concepts may be defined in the following way:

- national economy as a system may be seen as the totality of economic potentials and economic activities accumulated in the area regulated by a national government, which is the basis for the existence, progress and development of a national state and its people, and which is characterised by the features of the system that imply internal interrelations and general development trends;
- national economy as an integral entity of economic development, functioning under conditions of market internationalisation and globalisation, may be seen as an economic entity comprising all the capacities of its state and society in an economic field, which maintains the country's national interests in international and global spaces.

The definition of national economy as a system and as an integral *entity* of economic activity facilitates the comprehension and assessment of every national economy *in two* ways: as a certain totality of economic potentials and as an entity of economic activities capable of integrating the totality of its potentials into the spaces of international and global economy, at the same time, by implementing aspirations, ensure the growth of economic efficiency and the strengthening of competitive power (by the way, the efficiency and competitiveness of each national economy may be seen and assessed only in the context of interrelation of different national economies in international and global spaces, while such diversity covers forms of competition and partnership).

The definition of national economy as a system and as an integral *entity* of economic activity offers the wording of the *problem of enhancement of the efficiency and competitiveness of national economy*. The problem is described as

- lack of capacity of the national economy as a system to ensure the growth of its efficiency in proportion to the evergrowing standards of welfare and quality maintained in international and global markets,
- lack of capacity of the national economy as an *integral entity of economic activity* to successfully compete on international and global markets and to consistently raise competitiveness by building new and fully using current competitive advantages.

The problem of increasing the efficiency and competitiveness of national economy defined in the above terms can be essentially understood as the issue of *preventive adaptation*: the development and growth of national economy by setting priorities should be oriented towards *continuous sustainable modernisation* aimed at ensuring persistent ability to *adapt* to changes and new challenges that are more frequently observed in international and global spaces. That also implies that national economy as a system should persistently develop a respective *potential of improvement and adaptation*, which ensures the efficiency of economic development, while such development, in its turn, creates preconditions for national economy as *an entity of economic activity* to successfully respond to changes in international and global spaces and, by its *targeted functioning* and by *affecting the situation to its own benefit*, ensuring its *competitive advantages*.

The main principles of increasing the efficiency and competitiveness of the national economy. In order to deal with the problem of increasing the efficiency and competitiveness of national economy the principles of the efficiency and competitiveness of national economy should be defined.

Many diverse and discrepant points of view in the area of *development*, efficiency and competitiveness of national economies are described and analyzed (Dicken, 1998; Hunt, 2000; Huseman, 1999; Porter, 1980, Perraton, 2001). Some points of view are basic for the formulation of the most important principles of the efficiency and competitiveness of national economy under conditions of globalisation and market internalisation.

The following stand out as the most important principles:

- the principle of increasing added value created by the national economy and expressing the sense of the efficiency and growth of the national economy,
- the principle of rationality of specialisation typical of the national economy and of the optimum of the structure of the national economy (rational specialisation), which expresses the sense of competitiveness of the national economy.

The principle of *increasing added value created by national economy* shows that national economy can be efficient only in case the newly created *added value is increased*. Higher *efficiency* of national economy is evidenced by growing newly created added value per unit of costs used for the creation of the added value. By the way, the efficiency of national economy can be measured in *absolute* and *relative* terms:

 absolute efficiency of national economy may be measured by evaluating the size of the added value created by the national economy per unit of costs used in the creation of the added value: higher added value per unit of costs used in the creation of the added value shows higher absolute efficiency of the national economy (i.e. the higher pace of growth of absolute efficiency of the national economy, which reflects the growth of added value per unit of costs used in the creation of the added value shows the efficient growth of the national economy; besides, absolute efficiency of national economy is always expressed in absolute indicators),

relative efficiency of national economy may be measured by calculating the ratio of added value created by the national economy to the costs used in the creation of that value: a higher ratio of the created added value to the costs used in the creation of that value also shows a higher relative efficiency of the national economy (i.e. the higher pace of growth of relative efficiency of the national economy that stands for the higher ratio of created added value to the costs used in the creation of that added value shows an efficient growth of the national economy; by the way, relative efficiency of national economy is always expressed in *relative* indicators).

The principle of rationality of specialisation typical of national economy and of the optimum of the structure of national economy (rational specialisation) shows that national economy will be competitive only in case its specialisation and structure are tuned to the maximisation of efficiency: the specialisation and structure of national economy should be of the type that all the available resources and the resources to be attracted under current conditions be used to their maximum effectiveness and the national economy as an integrity be capable of creating a higher added value. The growing efficiency of national economy reflected in its openness and integration into international and global economic spaces indicates a higher competitiveness of national economy; it is only the efficiency of national economy under the conditions of open international and global markets that its competitiveness can be seen: the specialisation and structure of national economy should be of the type which is capable of ensuring the possibly highest efficiency of the national economy as a system and as an integral economic entity active on global and international markets. It is noteworthy that the specialisation of national economy reflects the system of the products created by the national economy, as well as the priorities of the system, while the structure of national economy shows the set of the sectors of the economy that generate the products. The rationality of the specialisation of the national economy and the optimum of the structure are judged on the adequacy of its product systems and of the set of economic sectors to the aspirations to increase the efficiency of the national economy: that means that the specialisation of national economy is

rational and its structure is optimal if the level of a potentially maximum efficiency is reached.

Many scientists indicate regional or national economic specialisation as a very important factor of national and international economic development: there are some serious theoretical surveys to focus on urgent problems and tendencies of economic development in different regions and countries (Boldrin and Canova, 2001; Bond, Syropoulos and Winters, 2001; Chortareas and Pelagidis, 2004; Dutta, 1999; Guy, 2001; Hayo and Seifert, 2003; Redding and Venables, 2004). The main ideas of these surveys are useful for a positive development of different national economies.

Having identified the two principles mentioned above, we can define the conditions under which the efficiency and competitiveness of national economy can be increased. The conditions that express ability to ensure a longterm development of national economy oriented towards its efficiency and competitiveness should be considered as significant in this context. A particular feature of such development is the existence of long-term priorities in both fields, social-economic development and scientific-technological progress, which specify the orientation of the national economy as a whole towards certain rational specialisation and optimum structure that can facilitate a possibly more rapid growth of added value created by the national economy.

The issue of the efficiency and competitiveness of a national economy in international markets is complicated and manifold.

It is also noteworthy that the problem of the efficiency and competitiveness of a national economy in international markets and possibilities of resolving it are directly related to certain *peculiarities* typical of different countries and their groups. For example, "transitional" or "transformational" economies (almost all Central and Eastern European countries belong to that group) are characterised by quite a few peculiarities predetermined by the nature, goal and scope of political, economic, technological and other type of transformations that directly impact the efficiency and competitiveness of the national economy of these countries. Moreover, search for the ways to increase the efficiency and competitiveness of economies may be treated as a model or pattern applicable to the resolution of *universal* problems of increasing the efficiency and competitiveness of national economies on a global scale.

In an effort to assess the possibilities of increasing the efficiency and competitiveness of individual national economies in international markets, a priority should be given to the prospects of the development of their innovation potential. By making use of the measures for the development of an innovation potential, the *rational specialisation of national economy* commensurate with the structure of the country's human and natural resources, available manufacturing and service capacity, the traditions of its economic and intellectual activities, its culture, as well as its possibilities of developing partnerships with other national economies can be shaped.

There are some ideas of the rational specialisation of national social economic systems in the Baltic region (Melnikas, 1997, 1999, 2002). The same ideas could be used in the other regions too.

Targeted development of the potential that has the power to impact the *innovative potential of a national economy* can facilitate the implementation of continuous improvement and modernisation of all the segments of the national economy as a system while creating preconditions for a consistent *synergy* effect, which would result in ongoing social, economic and technological progress.

It is a priority of each national economy to develop its innovation potential, which proves that the problem of increasing the efficiency and competitiveness of national economy is, in its nature, the problem of *preventive adaptation*: such problems may be successfully solved only when such tools as *complex* innovation promotion, spreading and introduction in all the areas of public, social, economic, political, cultural, and other fields are employed.

The idea of "oases" as the basis for rational specialisation of national economy. Development of every national economy should be *innovative:* that is, it should contain essentially new ideas leading to a successful solution of social, economic, environmental and other type of problems. *Innovative measures* should be worked out and implemented in order to modernise each country and its society as well as to boost the efficiency and competitiveness of its national economy. These measures should:

- in their contents and implementation possibilities, meet the conditions and challenges of the modern world by prioritising globalisation, market internationalisation, development of the information society, as well as the accelerating progress of science and technologies,
- these measures should be very effective, which implies the allocation of targeted concentration of resources for attaining the priority goals predetermined by the conditions and challenges of the development of the modern world: human, financial, material, information, other resources should be pooled with the pur-

pose of putting them to efficient use in dealing with *priority tasks*, reaching *priority goals* and implementing *priority* projects.

The implementation of the idea of "oases" is one of the most efficient ways of tackling the priority issues of social economic development.

The essence of the idea of "oases" is as follows: after certain *priorities* are set on a national, sectoral or regional scale, *particularly favourable conditions* for social economic development, scientific and technological progress, innovations and investment are created: and what is of utmost importance is that these particularly favourable conditions are created *in a targeted way* in compliance with the set priorities.

The possible priorities are:

- resolution of certain problems of social economic development or attainment of certain targets on a national scale, in different sectors of the economy and in different regions of the country,
- integrated development of a certain sector of businesses (or economy in general), branch of industry, or an element of a public sector by ensuring the resolution of critical problems of modernisation of the whole country or a sector,
- complex development of a certain region by ensuring the resolution of problems critical to the region.

The following may be considered *particularly favourable conditions* for or in "oases":

- incentives provided by the government in terms of tax relieves or soft loans,
- additional funding from different sources (for example, European Union structural funds),
- favourable political, social, psychological climate, as well as favourable

organisational conditions for the implementation of specific projects.

How favourable conditions for and in "oases" are can be judged by targeted concentration of all the resources necessary for achieving certain goals or for resolving certain problems: that is, it is on the basis of "oases" on a national, sectoral or regional scale that *priority* problems of social economic development as well as scientific and technological progress can be solved.

The idea of "oases" might be particularly favourable in the cases when there is a deficit of resources experienced on a national, regional or sectoral scale, especially when such resources are needed for the solution of urgent and priority problems of social economic development.

The idea of "oases" might be successfully exploited by Central and Eastern European countries: the changes in the framework of European integration and European Union enlargement in Central and Eastern Europe give rise to a need to apply new, unconventional means of *rapid* resolution of critical prioritised problems of social economic development; as for Lithuania, the implementation of the idea of "oases" might be a positive factor contributing to the acceleration of a social economic progress in Lithuania, and in different regions of Lithuania in particular.

The idea of "oases" could be realized in every country, in every regional group of countries or in every region in the country. For example, this idea could be realized in Lithuania, in the Baltic region in general, in every region in Lithuania or another country.

The idea of "oases" should be viewed as a measure for *intensifying social economic development*, which is particularly true for the development on a regional scale: each region may be seen as a specific "oasis", characterised by specific possibilities to speed up and intensify social economic progress and implement rationalised specialisation in a national economic system. That means that each region may be treated as an "oasis" for intensifying a certain set of measures, while that also means that a special policy aimed at intensifying the economic development in the regions may be referred to as an "oases" policy.

There is no doubt that the concept of "oases" may be applicable to both a region and an *interregional business sector*, in the latter case the possibilities of drafting and implementing an "oases" policy by intensifying the development of a business sector might be a discussion subject. Simultaneously the concept of the "oases" policy is a good tool for the fulfilment of the task of intensifying social economic development.

Thus, the development and implementation of an "oases" policy should be seen as a means to realistically intensify social economic development in regions. To that end, different measures of social economic development should be employed for a particular region by combining them into internally harmonised combinations.

The implementation of the idea of "oases", therefore, is an important precondition for a complex development of national economy and at the same time for a comprehensive intensification of social economic progress.

The main social and economic problems solvable by means of realization of the idea of "oases". The essence of the idea of "oases" lies in the resolution of *social and economic development problems* critical to a country and its people. The statement implies that the strategy should be oriented towards *intensifying* social economic development; moreover, ability to define the problems of intensifying social economic development and to identify the priorities of their resolution determine the *contents* of the of idea of "oases".

Social and economic development problems solvable by means of the realisation of the idea of "oases" may be classified as follows:

1. Problems of the development of human resource potential, including:

- education, science and study improvement problems,
- problems of the promotion of creativity and innovations and problems of spreading and establishment of innovation activity values among the public,
- problems of professional adaptation in the dynamically changing environments of business and labour market,
- problems of the improvement of human resource management.

2. Problems of the improvement of the quality of life, including:

- health and social protection systems and spreading and implementation of the standards of a healthy way of life,
- the social psychological climate and information environment,
- the ecological situation,
- the legal environment,
- the infrastructure of meeting human social and economic needs,
- problems of the promotion of purchasing power and consumption.

3. Problems of technological progress and comprehensive development and acceleration of modernisation in all business and public sectors, including:

 problems of enhancing the potential of the development of new technologies and new products of higher quality, and problems of extending the scope of the development and introduction of new technologies and new products,

 problems related to productivity growth and improvement of performance.

4. Problems of intensifying business, promotion of employment and creation of new jobs in both business and public sectors, including:

- problems of the attraction of investment for the creation of new jobs and promotion of such investment,
- problems of business intensification and productivity growth, and motivation of efficient labour,
- problems of the development of social partnership,
- export promotion problems,
- problems of higher competition.

5. Problems of national policies for intensifying business, spreading of innovations, technological progress acceleration, as well as improvement of legal framework, including:

- preparation and implementation of special national programmes for intensifying business, spreading innovations, accelerating technological progress,
- reducing the disproportion in regional development,
- problems related to the drafting of the legal framework favourable for the spreading of innovations.

The above problems are very closely interrelated. Each calls for integrated solutions. Important is the fact that the following priority problems should be dealt with particular urgency in the current environment of Lithuania, other Baltic and other Central and Eastern European countries:

 intensification of business and creation of new jobs with a view to reducing unemployment and increasing economic activity of all layers of society, dealing with the threat of poverty and large social economic misbalance,

 development and implementation of high technologies, universal modernisation of working places, and spreading of technological progress in view of, first and foremost, increasing productivity and improving quality in all sectors, as well as creation of much more favourable opportunities and prospects for highly skilled specialists, scientists, young university graduates and creative people.

Liberalization and clusterization in the countries of Central and Eastern Europe and their impact on further economic and social growth

The importance of liberalization on further economic growth in the countries of Central and Eastern Europe. Modern economic and social development in Lithuania and other countries of the Baltic region and Central and Eastern Europe can be defined by several features. One of the most significant among them is inclination towards real liberalization, which can be observed in the steadily decreasing role of the states in economic regulation: the pace and trends of economic growth in Central and Eastern Europe gradually become determined by the initiatives, aptness and trends in the international market conjuncture of the local and foreign economic subjects rather than by political decisions and activities of the Central and Eastern European states.

The main problems of economic liberalisation under conditions of globalisation and economic internationalisation, as well as liberalisation in the area of international trade and investment are analysed in many publications (Ghose, 2004; Garrett and Mitshell, 2001; Olsen and Osmundsen, 2003; Tandon, 1999). International experiences in the area of liberalisation are very important for the development of national economies in Central and Eastern Europe.

Liberalization in the Central and Eastern European countries is unique by reason of certain circumstances that had not had historic comparisons in the global practice.

The first factor among them is specific image of the state importance, which has developed historically in Central and Eastern Europe, portraying outcomes of the previous social and economic growth. The market relations in the countries of Central and Eastern Europe have been started to set up quite recently, besides, the circumstances and historical background for these relations are completely different from those of modern Western countries. In the West, market relations were undergoing their evolution under the gradual development of the industrial and post-industrial society, considering that in Central and Eastern Europe novel market relations developed very rapidly and unevenly. In fact, market economy in the countries of Central and Eastern Europe started developing just 12-15 years ago, at the end of the last century, when the industrial and post-industrial society had been already created, and an enormous economic and especially industrial potential had been accumulated; by the way, this potential reached a rather high technological level for that epoch and held orientations towards the influence of science-driven production and modern industries and technologies. This economic potential developed based on a centralized plan system, consequently, in the countries of Central and Eastern Europe the tradition of the absolute role of the state in the economic development was formed: historically nobody else but the state played the most important role in the economic growth. The importance and absolutism of the centralized plan system and the state's role in economic development in Central and Eastern Europe were embodied in a long-lasting and deep-rooted tradition, therefore, this tradition inevitably influenced the economic growth of the country also afterwards, when the outdated plan system collapsed quite unexpectedly. This means that when market relations started developing 12-15 years ago in Central and Eastern Europe, this system inherited certain relics of the old system: it can be conceived as symbiosis of the economic system of Central and Eastern Europe both in specific "Western" elements of market economy and a certain state absolutism tradition.

The aforementioned factor is very important for the reason that its understanding enables us to assess the attitude towards the role of the state and its power to influence the economic and social growth in contemporary Central and Eastern Europe. It may seem surprising even today, after more than a decade after the implementation of the major attitudes towards market relations in these countries. that in fact all societal layers still strongly believe that the state remains to be a leading subject in economic advancement of the countries. This attitude is typical both of business community who envision all their economic troubles and business failures as absolutely related to the state, and, on the other hand, to experts of various spheres, who are free-lance employees and relate their possibilities to advance economically and seek for well-being also greatly depending on the state; by the way,

conclusions of this kind were made a number of times based on different research results (B. Melnikas, 2002). This allows us to state that in the mind of the contemporary societies of Central and Eastern European countries the role of the state is understood not only as a *critical* but also as the *main* factor for their economic and social headway.

The second factor illustrating the specificity of liberalization in the countries of Central and Eastern Europe is the fact that in these countries today there is a serious lack of resources and opportunities to more rapidly achieve at least the minimal level of the standards of development and well-being existing in modern Western countries. This means that Central and Eastern Europe will inevitably have to implement substantially different, if compared to Western countries, patterns ensuring economic growth and rise of well-being: implementation of these patterns should guarantee the focusing of resources and development on critical to each country priorities that should be associated both to maximization of the pace of the growth and to the endeavors to ensure a possibly more intensive increase of the value added. It is clear that under these circumstances an adequate action of the state as an active subject of economic development should emanate. This action should address the purposeful establishment of the priorities for the economic development and implementation of the main priorities.

The third factor picturing the specificity of liberalization in the countries of Central and Eastern Europe is that among social layers in many of these countries the mentality of "standards of double moral" still prevails. This mentality, which developed over a long period of the reign of the totalitarian system (in fact, by the end of the last century), expresses the very

popular in society incompatibility of the individual and group interests to the norms of social accountability. There is a probability of the incompatibility of this kind in any, even very progressive society, including the Western ones, and this incompatibility is especially distinct in Central and Eastern Europe. This incompatibility sometimes acquires very threatening shapes: it can be seen in the rising social and economic differentiation inside societies of the Central and Eastern Europe, the evident lack of social accountability among political and economic elite, or dominating clan interests when working on the live problems of society and its well being. In this regard it is important to note that manifestations of mentality of "standards of double moral" are guite important as a factor that can ambiguously influence the process of liberalization and sometimes bring negative subsequences to the society.

The circumstances mentioned earlier, as well as some other factors are very important when assessing the possibilities and perspectives for economic liberalization in the countries of Eastern and Central Europe. It is important to consider these circumstances in the context of the integration of these countries into the European Union, especially because within the integrated economic domain of the European Union these countries and their economic subjects experience many new problems; among them, as particularly important can be mentioned the problems of compatibility of economic subjects and rise of household well-being and improvement of social security. By the way, the understanding of these problems in the context of liberalization and the ability to deal with them considering the conditions of the integration of Central and Eastern European countries into the European Union is a very important precondition for

ensuring a successful implementation of integration processes and a high pace of the further economic growth.

The role of the state in the development of economy in the situation of liberalization. In the situation of liberalization of the economic and social development state attains a significant role. Estimating the situation in Central and Eastern Europe, it is important to say that the traditional significance of the state in these countries is an important condition to achieve efficient means for economic and social development. Therefore, awareness of the importance of the state is a critical requirement to single-mindedly utilize each country's human, financial and material resources, along with administrative capabilities of the state. That is why it is wise to associate the perspectives of each country's economic and social development to the state politics and the legitimacy of this politics.

State politics in the sphere of economic and social development is greatly determined by the *appropriate* selection of the priorities. This statement can be absolutely relevant to all countries of Central and Eastern Europe: seeing the enormous importance of the state in these countries, one can say that the state's role is crucial in setting and implementing these priorities.

Priorities for economic and social growth in the Central and Eastern European countries in the period of integration of these countries into the European Union can be considered to be as follows:

 creation of conditions for citizens ensuring the level of well-being and life quality which is adequate to the existing average level of the European Union; this priority expresses striving to create a modem infrastructure (most importantly social infrastructure) and guarantee the possibility of implementation of *high standards of life quality* for all ranges of citizens.

 increase of action efficiency of economic subjects, striving to ensure high compatibility of these subjects both in the economic space of the European Union and in the rest of international markets; this priority expresses efforts to guarantee the abilities of economic subjects to generate products with the possibly greater value added, besides, prevalence of subjects of this kind in country's economy would also encourage a rapid augmentation of Gross Domestic Product (the pace of the augmentation of Gross Domestic Product should exceed the average existing in the European Union).

Implementation of the aforementioned priorities needs specific strategic solutions in the field of the country's economic and social growth. These solutions should be conceived as critical attitude of the state economic strategy. By the way, among the solutions of this kind, prevalent should become the solutions that are said to define the country's economic specialization and the country's economic system as a whole, as well as the structure of production and the major features of the products.

While defining the economic specialization of the countries of Central and Eastern Europe, it is important to consider the fact that most of these countries are comparatively *small* (in terms of the size of their territory and population) and possess in their territories *very limited natural and energy resources*. As typical among the countries of this kind the Baltic countries can be mentioned.

Assessing the capabilities of the economic specialization of the Central and Eastern

Europen countries, it is important to note that economies of each of these countries could and should gradually become a large system of contemporary clusters oriented towards creation of certain final products, exceptional in their high quality and competitiveness in international markets. The system of clusters could be regarded as a special macro-cluster (macroeconomic cluster) meant to ensure creation of products on the country's level with a possibly greater value added. Processes of creation of these products could make an integral system with its own technological and organizational relations. To better define macro-clusters, it is very important that the cluster of this kind could present complex specialization characterized by the complex of final products produced in the country: this complex could generally define the country's economic specialization. This means that definite macro-clusters of this sort could represent the whole economic system of the country.

A macro-cluster (macroeconomic cluster) as a large cluster system created on a country's level should operate as a subject of global international markets: ultimate products created within this system should be designated for both domestic and international markets. By the way, this system should include all major economic subjects present in the country, disregarding the fact whether they operate in a domestic market or abroad. Another important aspect is that country's infrastructure development must be adequate to the cluster system discussed before: the country's infrastructure development should create extremely favorable conditions for the operation of a cluster system.

The desired cluster system created on the country's level should be *dynamic*. Clusters that belong to this system should be able to adapt to the conditions of the transformation of economy and technology headway, react to the changes in international markets, and at the same time guarantee the *mobility* of the whole system and its capability to encourage the increase of well-being of the population.

The attitude presented above expresses the idea that the state, in order to consequently influence the country's economic and social development, needs to initiate creation and further elaboration of a macro-cluster, with its typical complex specialization, as well as actively participate in the implementation of means to increase the efficiency of clusterisation. Moreover, the development of clusterisation can be regarded as one of the most significant elements of the strategy of economic and social growth designed and implemented in many countries. Also, the development of clusterisation can be regarded as a key-element in the economic and social development strategies designed and implemented in many countries.

The introduction of the described attitude in the countries of Central and Eastern Europe in the situation of their integration into the European Union can become a viable condition to essentially modernize the whole economic system of these countries.

Regional specialization and prospects of the economic and social development of Baltic countries in the European Union space. The integration of the Baltic countries, similar to other countries of Central and Eastern Europe, into the European Union means essential changes in the economic and social life of these countries. The main indicator of these changes is the fact that the economies of the Baltic countries gradually become *part* of the *integral* economic system of the European Union, and the societal life of the Baltic countries is being fully *integrated* into the unified social, cultural and information space of the European Union. As a result of the integration of the Baltic countries into the European Union, *new tendencies* will inevitably emerge in their economic and social development, which will be impelled by the following important circumstances:

- the economic potential generated in the Baltic states will have possibilities of a more complete and efficient use, as additional opportunities will appear both in the distribution of goods produced in the Baltic countries in the markets of the European Union and in a substantial modernization of this potential;
- markets of the Baltic countries become an *integral* part of the markets of the European Union: in the Baltic states there will greatly increase the range of sales of products manufactured in the other countries of the European Union, investment processes will become more dynamic, labour force migration will become more intense, (part of the labour force from the Baltic region will "drift" to other countries of the European Union, whereas the remaining part of workplaces in the Baltic region will be taken over by employees from abroad);
- there will be a rapid interaction to come among the markets of the Baltic states and of the other countries of the European Union, expressing the effect of "commuting vessels": this means that intensive assimilation of prices, tariffs, productivity and remuneration will start arising in different countries and this trend will inevitably cause cardinal changes in economic structures;
- both new occurrences of competition in the Baltic countries and the opportunities for a new partnership and co-opera-

tion will arrive, which will be determined by the framework of integral markets;

- Baltic countries become the Eastern border of the European Union, directly connected to the market space of Russia and other countries of the Commonwealth of Independent States as a system very important and promising to the European Union (by the way, Baltic countries are unique in their role of the single region of the European Union that in the recent past belonged to the economic system of the former USSR: the Baltic countries have kept a significant potential of administrative and entrepreneurial capabilities for the economic and cultural activities in Eastern spaces, and this factor may become very important when incorporating economic subjects of the Baltic states into the economic initiatives of the inseparable European Union in the markets of Russia and other countries of the Commonwealth of Independent States,
- economic subjects of the Baltic states, as new economic subjects of the European Union, will start developing activities in international and global markets, and this fact will influence changes in the *position* of the Baltic countries in the international system of labour division.

Understanding the circumstances discussed above determines the necessity to deeper examine the *problems* of economic and social development in the Baltic countries which will emerge at the very first stage of the membership of these countries in the European Union. Among these problems as the most critical can be mentioned the following:

 problems indicating that the average level of the development of the Baltic countries is substantially lower than that of the European Union and especially of the leading countries;

- problems of human resources and productivity in the Baltic states;
- problems of the competitiveness of the economic subjects in the Baltic countries;
- problems of infrastructure quality, including inadequacy of the infrastructure if compared to contemporary standards;
- problems of activation of mutual cooperation in the Baltic region, as well as co-operation between the Baltic and other countries in different spheres of economic and social development.

Integration of the Baltic countries into the European Union determines not only changes in the Baltic states but inevitably brings changes in the countries that have belonged to the European Union earlier. This statement first of all concerns those countries of the European Union that maintain an intense economic cooperation with the Baltic region.

Integration of the Baltic countries into the European Union can be considered as a phenomenon *influencing* the situation *in the whole* space of the European Union, expanded and further growing, including the countries that have belonged to the European Union for years and the countries that are just seeking to become members of this organization.

It is possible to state that the aforementioned problems typical of economic and social development in the space of the European Union, could be considered not only as typical of the Baltic countries but also of the *other* countries of the European Union and of the *whole* European Union. By the way, these problems may also be conceived as problems of the *creation of patterns of successful integra*- tion of the new members into the European Union and its further growth. This means that these unsolved or inefficiently solved problems may affect the whole development process in the European Union. And vice versa, a successful solution of these problems may allow to form patterns of successful integration into the European Union, planning their implementation both in the situation of further growth of the European Union and in the case of the solution of critical problems inside the European Union.

The factors mentioned above show that problems of economic and social development of the Baltic countries in the space of the European Union require *complex decisions*, which would enable successful processes of integration and create preconditions for a high pace of economic and social growth. Anyway, trying to prepare and support complex solutions of this kind appropriate *research* should be executed in order to encourage the economic and social growth.

Conclusions

The development of national economy in view of the tendencies of internationalisation of markets and globalisation is the priority task of the development of modern society. Its fulfilment requires that many new circumstances appearing in international and global markets be evaluated. The necessity to increase the efficiency and competitiveness of each national economy making use of each and every measure for innovation promotion and spreading by simultaneously enhancing social, economic and technological progress is one of the new circumstances that must be taken into account.

The efficiency and competitiveness of each national economy may be enhanced by imple-

menting different measures. The following are of utmost significance:

- measures designed for the rationalisation of the internal structure of national economy as a system while creating preconditions for efficient utilisation of human and natural resources, industrial and service capacity and other sources and while developing the rational specialisation of economic activities;
- measures designed for the *national economies' ability to adapt* to the standards and requirements that under conditions of globalisation and market internationalisation reflect the universal priorities of social and economic development and technological progress.

Rational specialisation and the realisation of the idea of "oases" can be reguarded as the most important factor of the positive and innovative economic development in every region, every national country, every regional group of countries. Rational specialisation as a factor of economic growth is especially important for the Baltic and other Central and Eastern European countries.

The fundamental peculiarity of measures for the enhancement of the efficiency and competitiveness of a national economy is *innovativeness* of these measures; this feature of the measures is indicative of their priority in terms of innovation promotion and spreading in an effort to develop economic activities. Innovation development can be the main factor of economic intensification and scientific and technological development.

National economic development strategies should be prepared and implemented in order to ensure a targeted innovation development. The strategies should provide for respective programmes for innovation support and development infrastructures, for industrial development and employment promotion that should be drafted and implemented; these programmes should stipulate measures for innovation development, which in turn should be integrated into the general process of modernisation of national economy and into general conditions for the improve-

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The measures designed for the strengthening of the innovation potential and competitiveness of a national economy are crucial for the development of social and economic progress. Moreover, they imply that *priority* should be attached to *research* carried out in preparing and implementing these measures.

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NACIONALINĖ EKONOMIKA IR JOS EFEKTYVUMAS: SPECIALIZACIJA, EKONOMINĖS "OAZĖS" IR REGIONINĖ KLASTERIZACIJA

Borisas Melnikas

Santrauka

Pastaruoju metu sparčiai reiškiantis rinkų internacionalizavimui bei globalizacijai atsiranda būtinybė naujai suvokti nacionalinių ekonominių sistemų prasmę ir reikšmingumą bendrojoje tarptautinėje ekonomikoje, taip pat įvertinti kiekvienos nacionalinės ekonomikos tolesnės raidos perspektyvas, atsižvelgiant į šiuolaikinio pasaulio socialinės ekonominės pažangos tendencijas, į konkurencijos intensyvumą ir jos formų įvairovę.

Spartėjančių pokyčių sąlygomis iškyla kiekvienos nacionalinės ekonomikos, kaip tarptautinėje ir globalioje ekonominėje sistemoje veikiančio subjekto, efektyvumo ir konkurencingumo problema.

Šios problemos iškėlimą lemia tai, kad kiekvienoje nacionalinėje ekonomikoje turi būti nuolat plėtojami gebėjimai užtikrinti vis labiau kylančius efektyvumo ir konkurencingumo didinimo reikalavimus.

Nacionalinės ekonomikos, kaip sistemos ir kaip globaliose bei tarptautinėse rinkose besireiškiančio vientiso ekonominės raidos subjekto, efektyvumo ir konkurencingumo didinimo problemos suvokimo ir sprendimo dėlei turi būti apibrėžtos šią problemą formuluojant vartojamos sąvokos. Iš jų ypač pažymėtinos nacionalinės ekonomikos kaip sistemos ir kaip vientiso ekonominės subjekto sąvokos; šios sąvokos gali būti apibrėžiamos taip:

- nacionalinė ekonomika, kaip sistema, gali būti suprantama kaip nacionalinės valstybės reguliavimo srityje sukaupta ekonominių potencialų bei ekonominės veiklos sričių visuoma, sudaranti nacionalinės valstybės ir jos visuomenės egzistencijos bei pažangos ir raidos ekonominį pagrindą ir pasižyminti tais sistemos požymiais, kurie išreiškia vidinės sąveikos ryšius ir bendras raidos orientacijas,
- nacionalinė ekonomika, kaip vientisas ekonominės raidos subjektas, veikiantis rinkų internacionalizavimo ir globalizacijos sąlygomis, gali

suprantamas kaip tarptautinėse ir globaliose erdvėse savo šalies nacionalinius interesus kompleksiškai realizuojantis ekonominės veiklos subjektas, savimi apimantis visus savo valstybės ir visuomenės gebėjimus ekonominio gyvenimo srityje.

Siekiant tinkamai spręsti nacionalinės ekonomikos efektyvumo ir konkurencingumo didinimo problemą yra būtina apibrėžti nacionalinės ekonomikos efektyvumo ir konkurencingumo principus.

Tokių principų tarpe svarbiausieji yra šie:

- pridedamosios vertės, kuriamos nacionalinėje ekonomikoje, didinimo principas, išreiškiantis nacionalinės ekonomikos efektyvumo bei jo augimo prasmę,
- nacionalinei ekonomikai būdingos specializacijos racionalumo bei nacionalinės ekonomikos struktūros optimalumo racionalios specializacijos) principas, išreiškiantis nacionalinės ekonomikos konkurencingumo prasmę.

Labai efektyvus būdas spręsti prioritetines socialinės ekonominės raidos problemas yra "oazių" idėjos įgyvendinimas.

"Oazių" idėjos esmė yra ta, kad, nustačius tam tikrus prioritetus, visos šalies, tam tikro verslo sektoriaus ar regiono mastu yra sudaromos ypač palankios sąlygos socialinei ekonominei raidai, mokslo ir technologijų pažangai, inovacijoms ir investicijoms: svarbiausia tai, jog šios ypač palankios sąlygos yra sudaromos kryptingai, adekvačiai nustatytiems prioritetams.

"Oazių" prioritetais gali būti:

 tam tikrų socialinės ekonominės raidos problemų išsprendimas arba tam tikrų tikslų pasieki-

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mas visos šalies mastu, atskiruose verslo sektoriuose ar šalies regionuose,

- kompleksinis tam tikro verslo sektoriaus, ūkio šakos ar tam tikros grandies viešajame sektoriuje išvystymas, užtikrinant aktualių visos šalies ar tam tikro sektoriaus modernizavimo problemų išsprendimą,
- kompleksinis tam tikro regiono išvystymas, užtikrinant regionui aktualių modernizavimo problemų išsprendimą.

Ypač palankiomis sąlygomis, sudaromomis "oazėms" ar "oazėse" gali būti laikomos tokios:

- valstybės sudaromos lengvatinės apmokestinimo ar kreditavimo sąlygos,
- papildomas finansavimas iš įvairių fondų (pavyzdžiui, iš Europos Sąjungos struktūrinių fondų),
- palankus politinis, socialinis, psichologinis klimatas, taip pat palankios organizacinės sąlygos konkretiems projektams įgyvendinti.

Sąlygų "oazėms" ar "oazėse" palankumas gali pasireikšti tuo, kad "oazėse" yra kryptingai sukoncentruojami visi tam tikriems tikslams pasiekti ar tam tikroms problemoms išspręsti reikalingi ištekliai: tai reiškia, kad "oazių" sukūrimo pagrindu tiek visos šalies, tiek ir atskirų verslo sektorių ar regionų mastu gali būti sprendžiamos būtent *prioritetinės* socialinės ekonominės raidos bei mokslo ir technologijų pažangos problemos.

"Oazių" idėjos įgyvendinimas turėtų būti vertinamas kaip svarbi prielaida kompleksiškai plėtoti inovacijas ir tuo pačiu visapusiškai aktyvinti socialinę ekonominę pažangą.