# MODERN PERCEPTIONS OF THE ROLE OF STATE

### V.G. Khachaturyan

Yerevan State University

The perception of the role of the state tends to constantly change which is quite natural because studies of the role of the state and its functions were not interrupted, moreover, they were important at all times and in all societies. Attempts to find the only correct model have not ended and will never end since the boundaries of confrontation and cooperation between the state and the market will never be determined. So it is the logic and philosophy of human development and progress.

Emphasizing the importance of public administration, it should be noted that, according to the community of experts, today countries compete among themselves with models of public administration - the work of institutions and not the cost of labor or the effectiveness of tax policy. And in this sense, in modern conditions, it is the work of institutions that should primarily determine the fate of public consent.

The greatest danger of state or market regulation is the situation when too many functions are concentrated in the hands of the state, or vice versa, when market regulation mechanisms become uncontrollable. In order to avoid such situations, it is necessary to provide people with equal opportunities. The important thing is not what level of inequality is established in society, but how much people have the opportunity to realize their plans and abilities to achieve the highest level in the social pyramid.

Key words: state, market, institutions, "failures" of the state and the market, public goods, competition, costs, revenues.

#### Introduction

Perceptions of the state are one of the most fascinating, most demanded, most studied and yet at the same time not completely clarified phenomena up to nowadays. As Douglas North noted. "The court has gonem for consultation on the issue of the state's need for economy and has not returned yet". Why is the question of the full characterization of the state not only concerning the economy but everything in general also very topical today? The problem is that for centuries, when arguing for the necessity of the state, this necessity was ascribed to facts that were not existing in real or even being existed, they were exaggerated. Because of all this the real picture has been distorted and such functions were attributed to the state that did not have any relation with it. For example, the wellknown British economists - David Riccardo, James Mill, John Maynard Keynes and others set the same example when speaking in favor of the state: who would have built the lighthouses in England if not the government? And it was very important to people who did it in those times of England. But later it turned out that the reality was different and that no English government had done such things. Economist, Nobel Prize winner Ronald Coase found out as a result of his research in British Admiral Archive that no English lighthouse was built by the government in England (which he had written about in his <<Lighthouse in Economics>> or <<The role of the lighthouse in Economics>>) [1] classical works). They were built by the Guild of Ship Captains, local communities and corporations of shipowners but not by the government. Why did we decide to refer to this well-known fact? Because even today, when presenting the essence of the state, people often use myths to be far from the reality. The motives are political when, for purely political expediency, they seek to justify the seizure of power by the exploitation of "state", "state" institutions, the ineffective use of resources, corruption, restrictions on freedoms for both citizens and business. Ex-soviet countries can be considered as an example except for the Baltic states and Georgia.

The reality is that the perceptions of the state have been constantly changing since the formation of the state up to now which is very natural in relation to the periods of human development and their peculiarities. The important thing is not only to take into account these circumstances, but to appreciate and understand the content and need of those transformations. The change in the nature of the state and state functions is linked to many factors which will be discussed below more detailed but for all times it is important to find the golden medium between State and Market. The golden medium is the most difficult and most important task that every country, state and society must solve without overestimating and underestimating. For example, when the sphere of activity of the state is unlimited (when everything is permitted in the political process), sowing hostility and theftin the society become common. People spend more time struggling to get a piece of economic "pie" than producing that pie. As a result, the volume of output decreases, the production declines and hostility, distrust and even hatred increase in society. In a highly politicized economy life is not so easy. This applies more to the Republic of Armenia taking into account the special situation we have experienced since the collapse of the USSR. In the Soviet times we knew what was wrong and now we are still trying to figure out what is right. Most of the world is looking for the right economic recipe like us. Fundamental economics shows that private property, freedom of exchange, competing markets and monetary stability are the cornerstones of economic prosperity. When the latter are available, individuals can "sow everything", productive energy will be realized and material prosperity will be created. Depending to what extent this is applicable to separate countries, this is already on the political level, i.e. it requires a political decision.

### Why should the state interfere the market economy?

As it was noted above, in all countries around the world, state institutions are in the focus of attention. Constant changes in the world economy make it difficult to find answers to the key questions the state has to answer: what should be the regulatory role of the state in the economic system?, what issues should it deal with and what it should not?, what are the optimal decisions to make in this or that situation? There are numerous and sometimes contradictory and more often complementary views on the solution of the above mentioned problem which attempt to present the boundaries of the state's influence in regulating the economy on the basis of certain starting points. From this point of view, the theories of economics have undergone quite an interesting development.

It is therefore not accidental that different models of state regulation of the economy currently exist with their unique national manifestations [2]. Looking back at the history of recent past of mankind it should be noted that in the early days of formation of classical capitalism the state did not interfere with economic processes at all. The principle of non-interference by the state in entrepreneurship has been theoretically substantiated by English and French economic school. At that time the state had to influence the economy only within the framework of "natural right", that is, to ensure the privacy and appropriation of private property. These provisions were dominating until the mid-19<sup>th</sup> century and unless we take into account some exceptions to the need for state intervention by one of the founders of classical economics, economic thought of A. Smith, the economic school practically gave no place the systematic influence of the state on economic processes.

In the beginning of the 20<sup>th</sup> century the picture changed significantly. The state's involvement in all aspects of public life related to the effects of the industrial revolution and the introduction of new social responsibilities in individual countries set new demands on governments and as a result, for example, the facts on use of taxes started gradually be noted more and more. In this connection it is worth mentioning the opinion of the prominent 20<sup>th</sup> century psychologist Carl Yung on the role of the state who thought that Man no longer views the state as a pillar and wants others to think and take responsibility for the state instead of himself. The society is satisfied that they are dressed, nourished and brought up as a social unit and are entertained in accordance with mass standards. When the state assumes the execution of laws it means that the person allows the state to realize his moral responsibility [3]. What caused these perceptions, were such perceptions objective? It should be admitted that this is perceived by Yung (and not only him) as a negative phenomenon, but the reality is that every state has a tendency to increase its role and the reasons are various. Here are some of them:

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1. Increasing the role of the state may be due to the challenges in the social environment, such as technical progress, demographic changes, changes of economic system and so on [4].

2. Strengthening the role of the state also depends on local political processes: changes of the views of different civil and political organizations and trade unions as well to the functions of the state can be crucial to the formation of a "strong state".

3. Increasing the role of the state can also be linked to its role in ensuring economic growth. As American economic historian F. Gerschenkron points out, countries that have adopted the way of industrialization or other large-scale technological and economic reforms much later typically have a broader public sector [5]. In this case the state acts as a locomotive of the economy directing the resources at its disposal to technical upgrading of the economy, scientific programs, growth of investment and infrastructural policy. This is the way post-war France, Germany, Japan and the former USSR have gone. These examples prove the theories of market imperfection: rapid economic growth is often easier to obtain with the help of the state than relying solely on the "invisible hand".

4. The expansion of the functions of the state may also be dictated by its internal development patterns. Like any system, the state (in the form of its institutions) is also prone to self-preservation and self-reproduction. From this point of view, the state can be seen as a unique monopoly structure whose behavior in many cases resembles that of monopoly companies in the market.

5. Along with the increasing global warming, floods, desertification of vast territories, the joint efforts of owning the resources of the world ocean and the space and the solution of global energy problems the importance of states has recently been increasing.

By the way, even in post war period the view has been still dominating according to which the state ownership would be ruling by the end of the twentieth century. Only Friedrich von Hayek and the Austrian school did not share this viewpoint. They were convinced in the opposite viewpoint which is: private ownership would prevail. And it happened so: the revolutions of the information and telecommunications spheres of the 70-80s gave new impact to private ownership which in turn caused "other eyes" to see and appreciate state regulation once again.

Further developments were accompanied by both state and market failures and attitudes towards each other changed accordingly. Today, the positions of the ideologists of both views have become more radicalized and more stable both in the scientific and the political circles as well as in the public sector. Such a situation has been the cause of the crises of the last twenty years which were mainly presented to the public as a result of market slips or so-called "market failures". In fact, the reasons of the crises of both the regional and a number of other countries in 1998 and the global financial and economic crises of 2008 were politics -driven by the short-sighted and populist policy of leading political forces of many states during that period. The same continued further on in Europe, Greece, Spain, Portugal and even Italy when governments of these countries brought their countries to insolvency through various so-called social programs opposite the logic of liberal-market economy with their state intervention for years. This may be one of the best examples of ineffective intervention in the state market.

Sometimes the notion of a liberal state also leads to a certain misunderstanding in the sense that many people consider it to be a non-operating (non-interfering) state. Of course, this is not the right viewpoint. Every state must act, i.e. must interfere. The question is how much the intervention is predictable by the individual. When the latter knows to what extent he is protected from indirect interference and in which cases he can be influenced by the state in making his decisions and whether he can freely build his plans. In any society there are always state functions that are definitely accepted by the citizens but there are also those that do not have public consent. In fact, when the state exercises direct governance in such areas (where there is no public consent), it results in the suppression of personal freedoms. In addition, when the public sector where the state implements the management of the allocation and use of funds exceeds certain extent, its activities affect the whole system. Even if the state directly controls only part of the resources, its decisions indirectly affect the entire economy. Thus, more resources a state possesses, more unpredictable its actions are and the freedom of the individual is limited.

Early in the mid 19<sup>th</sup> century F. Bastia predicted that the state gradually expanding its activities would reach to such scales that the possession of half of national income would be considered as normal, and this would not improve the standard of living of the population but many useless state institutions would be created which would make decisions instead of people.

Therefore, it is necessary to clearly limit the scope of the state's activities, otherwise the society will lose the ability of personal initiative (entrepreneurship) along with wealth, prosperity, independence and the sense of self-worth.

At the same time, it should be noted that while there is no certain approach to the functions that are significant to the state, it is more or less acceptable for everyone to present these functions in two large groups. The first involves activities aimed at protecting the individual and his property from violence, theft and robbing etc., and the second involves providing a limited number of goods to citizens; goods that are difficult for the market to produce for this or that reason.

It can be said that the protection of property rights, enforcing contracts and resolving the conflicts through the courts become the basis for non stop market activity. On the other hand, economic growth is also facilitated by the provision of public goods by the state such as roads, national security, environmental protection and other infrastructures. Although the state has a comparative advantage in providing legal institutions and infrastructure facilities, the activities of private companies are not excluded in these areas.

Let us mention about another important question the comments connected are the result of believing in another myth about the state. It concerns the so-called public goods. Can only the state provide public goods? Over the time economic restrictions on the provision of public goods disappear. For example, issues of country protection, the fact that many existing infrastructures have alternatives, education or health services and so on are no longer state monopolies. The conclusion based on the factual situation is that the restrictions on the provision and delivery of public goods are abolished and relating them only to the state remains in the past.

#### How is the state regulation implemented?

The economic system of each country is a specially regulated mechanism between producers and consumers of material and non-material goods. At the same time, the economic system being a decisive factor in the development of society, is expanding day by day as the list of produced goods, their variety assortments and as a result of the division of labor and specialization (developing) the economic relations and relations with consumers are constantly branching (developing). As a result, the economy is becoming increasingly dynamic. The various business regimes that emerged during the development of civilization have always been called upon to solve three major economic problems: what, how and for whom to produce?

The search for answers to these questions, in its turn, raises new and very important questions who will produce?, who will distribute?, whom will they distribute to? and how will it finally happen? During the production, distribution, exchange and consumption of material goods people start public or economic relations with each other. Exchange relations one of the main functions of which is to connect the consumption with production, gain their specificity in the market and through market relations. The market is a system where the activities of business entities, organizations and members of the society develop connected with production and sales. Since the market represents demand (buyer) and supply (seller), therefore, they mutually determine the prices of sale goods and services, labor and securities. Meanwhile market relations become a certain form of exchange relations. The study of the content of market relations as an expression of exchange relations requires two complementary and interrelated approaches. The first is the study of needs and production, demand and supply for giving an appropriate orientation to production. The second is the study of market needs, taste and production impact on demand which allows to predict new needs and priorities. If these approaches are fully implemented, production will be fully regulated based on market relationships. It is also necessary to use the following principle- what is produced is not that can be produced, but that what will be sold. This principle reflects the content of market and market relations.

It seems that under market conditions where the market is a self-regulated and open system, the state plays no role. But in these conditions the role of the state is not only diminishing but becoming more important as state economic flexible policy is an active factor in the socio-economic progress of society. The economic policy of the state is meant to actively influence all aspects of economic life - production, exchange, distribution and consumption.

In all countries of the world, the state institute is in the centre of universal attention. Constant changes in the world economy make the answers to the key questions the state has to find: what should be the regulatory role of the state in the economic system?, what issues should it deal with and what not? what optimal decisions should it make in this or that economic situation? Recently the transition from planned system to a marketing system in number of countries has caused an economic crisis. This fact put again the importance of the role of the state in regulating the economy under suspicion. At the beginning of the 20<sup>th</sup> century it was considered that economic growth should be provided by the state- we have it above mentioned. The experience gained during that time shows the opposite: the state plays an important role in ensuring economic and social growth but it is not direct source of economic growth. The state directly controls and regulates new complex and interconnected spheres of economic activity and promotes the wellfare and standard of living of its citizens.

#### Economic functions of the state

Free market, despite its spontaneous nature, is a well-organized mechanism capable of resolving the socio-economic problems the society faces. However, the ideal model of economic structure for solving different problems of society envisages the use of state regulation levers which are implemented through a number of functions. The economic functions of the state are various and numerous. These functions are classified into two groups.

The first group includes: the functions of legal support of the mechanism of market operation, protection of competition, production of public goods and stabilization of macroeconomic situation.

#### Legal support of the mechanism of market operation

The protection of the interests of producers and consumers in the market is a major challenge for the state. It means that in order to start an economic activity these entities must be legally protected. First of all, property rights must be secured and protected. An owner who is not sure about the safety of his property cannot make full use of his financial, creative and material potential. In this sense such legislation is needed which is able to ensure the protection and development of property rights.

The state anti monoploy legislation, laws and other regulations relating to banking and other spheres of economy (protecting and regulating) are important from the legal point of view.

#### **Protection of competition**

In every civilized economic system competition is one of the means of regulating the production. In a competitive environment, the relationship between supply and demand determines the price of the product (service) and therefore the profit that the producer (service provider) should receive. The existence of a monopoly disrupts the self-regulation of the market system: sellers become fewer and the monopolies are regulating the supply themselves and hence, the price too. Monopolies cause enormous damage to society affecting the market which results in monopoly pricing which gives them super-profits. In such cases, state intervention becomes inevitable. To regulate the competition, various governing bodies are created which regulate mainly public service tariffs and follow the quality standards. The state adopts and acts anti-monopoly legislation. The state promotes and protects the competition with such activities.

#### The production of pubcil goods

In certain cases the market is unable to provide the production of certain "public goods". Among those products and services there are goods which relate to defense forces and law, the activities of enforcement agencies and others. These benefits serve the interests of the total society whose marginal costs of production do not depend on the number of consumers and in many cases are not profitable or unacceptable for private businesses (eg. licensing, forensic expertise etc.) and it is favorable that the state takes this responsibility. Such functions of the state are financed at the expense of the state budget. That is why costs on defense, social needs and state bodies have high share of state budget in many countries.

#### Stabilization of the macroeconomic situation

From time to time the economy is subjected into macro economic fluctuations due to the influence of both internal and external factors and the major role in solving these situations is given to the state.

The second group of state functions of regulating market relations includes: functions of redistribution of income and wealth, distribution of resources to change the structure of gross domestic product and stabilization of the economy.

By implementing these functions, the state regulates the incomes of the population, provides the old, the disabled and the unemployed with benefits, and, if necessary, makes structural changes in the structure of public production and gross domestic product. The state carries out its economic functions in three main directions:

### **Direct control and regulation**

This is the direction in which the state controls over the economy, in particular market relations and also the regulation of relations between entrepreneurs and employees. About all complex and interconnected processes of public activity are simply controlled and regulated. Such control may be set for minimum wage rates, accident insurance during production, unemployment insurance, retire pensions, maximum duration of working days and other processes.

#### **Public consumption**

Along with the development of the society the consumption of gross domestic product is also increasing. Major part of the local production is bought by the state and used for public consumption. For preserving and developing the spheres of education, health and others the state purchases necessary property, equipment, technologies and uses to satisfy the needs of the society. The state also buys armament for defence of the country such as military technique, weapons and other types of armament.

## State entrepreneurship

The state directly manages state-owned shares or wholly state-owned enterprises. State regulation should be carried out within certain limits which are determined by the flaws of a particular market and based on the current economic situation. State regulation allows for the elimination (balancing) of "failures" which the market mechanism cannot eliminate.

The study of the governing practices of countries with mixed economies shows that in these countries the government carries out such important functions as public costs, monetary and fiscal regulation. Although the market economy mechanism mainly operates in these countries, the government regulates the imperfections of the market system and thereby enhances the efficiency of the management of the resources (natural, financial, labor, etc.) and the income from them. In highly competitive economies productive resources are distributed at market prices by exchanging commodities with money aimed at producing the most useful goods and services available. However, the market does not always provide that perfection. The market economy is also characterized by the existence of monopoly sectors, unemployment, inflation, unequal distribution of incomes, extremely unequal polarization of the income of certain groups of society and so on. The smoothing (or elimination) of such phenomena is due to the need for governments to intervene in market economy activities.

The "visible hand" of the government which operates alongside the "invisible hand" of the market serves as a countermeasure to the shortcomings of the market mechanism. The government regulates the activities of public service companies, such as telecommunications, energy and other

companies. State funds science, space exploration and scientific research. The government taxes its citizens redistributing the revenue from these taxes in favor of the poor (socially unprotected) sections of the population. Finally, the government is also taking advantage of its budgetary and credit opportunities to stimulate economic growth and regulate business activity cycles. In this regard let us consider the tools through which government intervenes in the modern economy.

It is usually assumed that the government develops (defines, dictates) the rules of the game by adopting laws and other legal acts, observing the protection of property rights, guaranteeing the immunity of property, signing of agreements and contracts. It is clear that the fulfillment of these functions of the state is aimed at promoting economic efficiency, preserving social justice and maintaining macroeconomic stability and growth. In promoting economic efficiency, governments are trying to correct shortcomings in the market mechanism such as monopolies and environmental pollution. State programs aimed at ensuring social justice through tax and benefits, redistribute income for the benefit of the poor. Macroeconomic growth and sustainability are promoted by the government through taxation, costs and monetary regulation tools that will reduce unemployment and inflation while stimulating economic growth.

Various forms of inefficiency (imperfection) of the market mechanism occur regularly in the economy. For example, a company may increase profits by raising prices in an unjustified way. Certain companies pollute the air, soil and water with production wastes. In such cases, the efficiency of production or consumption declines in the market and the government can play an important role in correcting these shortcomings. Assessing the role of the government in eliminating economic shortcomings, it should be noted that the state regulation mechanism can also be ineffective, that is, situations where state efforts (efforts) to correct market failures sometimes give rise to new problems.

Almost all countries with a market economy have experienced this form of market imperfection over the last century and the governments of those countries have had to take measures to eliminate these "market distortions". In many cases, governments regulate the prices of products (services) issued by monopoly companies or limit the profits received by monopoly companies. In addition, anti monopoly legislation prohibits companies from setting prices independently or dividing markets between monopolies, for example, recently governments in various countries have adopted tax penalties on separate automobile and technology giants in relation to the agreements and artificial rise of prices by those companies.

Since the private sector is usually ineffective in producing public goods, the state must deal with it itself. By financing the production of public goods, the government behaves as any other major buyer would do. By allocating sufficient funds for certain purposes, it generates flow of funds. After the "vote on behalf of the state", a market mechanism is put in place that directs funds to relevant companies for the production and delivery of public goods ordered and financed by the state.

Discussing the poor effectiveness of the impact of the market on the production of monopolies or public goods, we focused on market deficiencies that could be corrected by government. Now imagine that the economy operates in a perfectly specific market way without compromising on production opportunities and maintaining a balance between the production of public and private goods. Even if the market system works perfectly, it can still lead to very undesirable results in the public interest. Why? Market-based income distribution does not always meet the requirements and perceptions of fairness. An economy that operates without government intervention can lead to unacceptable differences in income and personal consumption and even severe polarization.

What is the reason that the market mechanism brings about such situations? The problem is that the level of income depends on derivative factors such as the inflation, the output of labor, the heritage and so on. For this reason, the nature of income distribution may be inconsistent with the principle of justice formed in the public consciousness.

How do economists consider the disputes on revenue equality? Economics is unable to answer questions about what part of the revenue from honest market struggles should be transferred to poor families. These questions should be answered by the authorities that are responsible and concerned about ensuring social equality in the country (elective bodies). Economists can analyze the advantages

or disadvantages of redistribution in different systems. Specialists spend little time trying to determine whether distribution mechanisms (such as taxes, benefits, compensations etc.) are good for society or not. The question is whether the system of benefits and compensations for citizens will not eliminate the desire to work and whether the money for social needs will not be used for any other purpose.

Economics cannot answer the question of what level of poverty can be considered just and acceptable. However, professionals can develop real plans to raise the income of the poor.

The government not only promotes economic efficiency and justice, it also carries out macroeconomic functions to promote economic growth and stabilization.

## Conclusion

Perceptions of the role of the state tend to change constantly which is very natural, though only because studies on the role of the state and its functions have not been interrupted and have always been important at all times and in all societies. Attempts to find the so-called unique truth have not ended and will not end as to distinguish the boundaries of state and market opposition and cooperation will never be possible. That is the way of life, so is the logic of human development, progress and philosophy.

Emphasizing the importance of public administration, it should be noted that, according to some professional backgrounds, countries are starting to compete with public administration models rather than labor costs and tax policies today [6]. It is no coincidence that the well-known economist Daron Achemoglu in his famous book "Why Nations Fail" [7] highlights the role of institutions. If we briefly retell the whole book, we can do it in four words: "Institutions decide everything". There are no other explanations for development or backwardness (related to climate, geography, culture etc.). In this respect, Achemoglu's words about Armenia are interesting. "Of course, I'm not an expert of Armenia, but I can say that the problem Armenia has is not geographical, not cultural and not even geopolitical but political. The problem is to make politics more related to the demands of its citizens. So, through this political process Armenia will no longer be an oligarchy but rather a society that will provide much greater impacts for the majority of its citizens, so that it can unite the significant potential it has >> [8].

For a more complete and comprehensive understanding of the issue of governance, let us refer to the World Bank Management Report published by the World Bank every two years (see Figures 1,2,3). Figure 1 shows that the quality of governance in the Republic of Armenia for the last twenty years (from 1996 to 2016) has fallen due to an increase in corruption, a decline in democracy and a decline in political stability.

The following charts show that during the mentioned years in the three South Caucasian republics similar problems were experienced in 1996 and Armenia had more favorable positions on the level of corruption at that time. In 2016 Georgia has been a leader in overall efficiency in governance, particularly in terms of low corruption and the functioning of democratic institutions due to reforms focused mainly on the formation of new institutions.

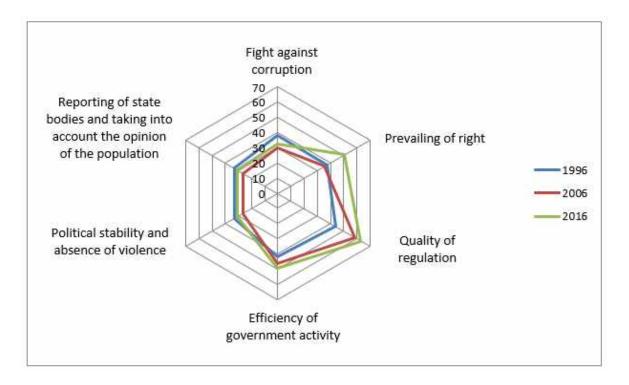
The greatest danger of state or market regulation is the situation where there is too much concentration in the hands of the state or vice versa, when market regulation mechanisms become uncontrollable.

Thus, addmitting the existence of the "invisible hand" of Adam Smith, the very issue of protecting that "invisible hand" is often neglected due to the desire for market intervention by the state. Today, the market needs more protection than ever before, with the era of new technologies providing endless possibilities to access, use and manage of information at the same time without controlling the chances the public may use for dangerous purposes - cybercrime, various illegal transactions and so on. And it is here that the state assumes the responsibility of regulating this area, which in some countries may limit the freedoms of the people related to the intentions or ideology of the ruling political force. This is one of the challenges of modern times which requires fundamentally different approaches and steps of state intervention. In this respect, the view of well-known economist Sergey Guriyev is interesting and instructive. He writes in his book <<The Myths of Economics>> [9], <<As

in the era of Adam Smith, the <<invisible hand>> of the marketplace now largely defends the interests of society. But, as before, it also needs protection. The role of the state and society lies in supporting and protecting the <<invisible hand>> from the inevitable attempts to limit its possibilities by the society>> [9].

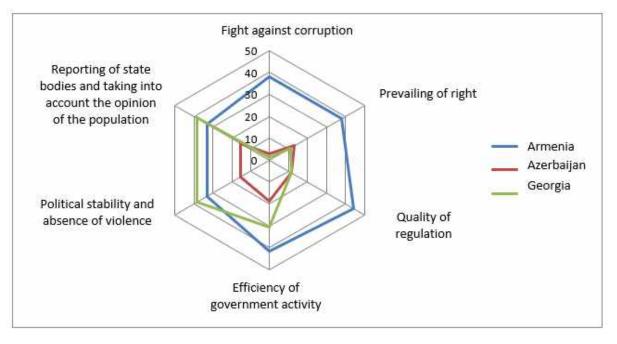
Referring to the problems of Armenia, we would like to emphasize once again that the success of the Economic Revolution in Armenia will also depend on the attitude of the state towards the statemarket relations as a result of the revolution. This will be due to the volume and content of state functions. The most serious and fatal mistake of the former system was that over time the most important assumption of a market economy - the need to separate business and power - was broken. Let us remember Adam Smith who once wrote that there are two things in the world that are incompatible: **reigning** and **trading.** Instead of ensuring the strengthening of separation between business and power and their establishment which would mean equal competitive conditions, immunity for property, unselfish and equal legal system, the ideology which was adopted in Soviet times was gradually restored: that is the state has right to intervene the competitive market due to its interest or comfort and business and citizens had to obey it without discussing.

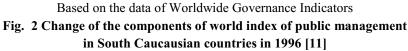
It broke the most important postulate of the market economy - ensuring the freedom of opportunity for all people and eliminating inequality of opportunity. In fact, when talking about inequality in our country and in similar countries, it is important not only to deal with income inequality but also inequality of opportunity including political mind on decisions. Mostly this is also the cause of material inequality in the future. In this respect the following idea of well-known liberal economist, Nobel Prize winner Milton Friedman is very specific: <<The important thing is not how much inequality there is in society but how much the people of the <<Bottom>> have the opportunity to reach the highest level of the social pyramid. If such dynamics are sufficiently developed, then people accept market efficiency. As opportunities are open to you, the attitude toward the issue of inequality becomes more tolerable. That is what the US social system is based on>> [10].

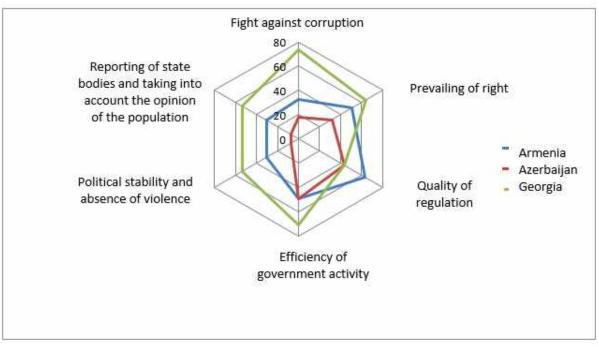


Based on the data of Worldwide Governance Indicators Fig. 1 Change of the components of world index of public management in the Republic of Armenia in 1996-2016 [11]

### **ECONOMICS**







Based on the data of Worldwide Governance Indicators Fig. 3 Change of the components of world index of public management in South Caucausian countries in 2016 [11]

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# ՊԵՏՈՒԹՅԱՆ ԴԵՐԻ ԺԱՄԱՆԱԿԱԿԻՑ ԸՆԿԱԼՈՒՄՆԵՐԸ

## Վ.Գ. Խաչատուրյան

Երևանի պետական համալսարան

Պետության դերի ընկալումներն անըդհատ փոփոխությունների միտում ունեն, որը շատ բնական է, թեկուզ և միայն այն պատճառով, որ պետության դերի, նրա գործառույթների վերաբերյալ ուսումնասիրությունները չեն ընդհատվել, միշտ էլ կարևոր են եղել բոլոր ժամնակներում, բոլոր հասարակարգերում։ Այսպես կոչված միակ ճշմարտությունը գտնելու փորձերը չեն ավարտվել և չեն էլ վերջանա, քանի որ պետության և շուկայի հակադրության, համագործակցության սահմանները երբևէ հնարավոր չի լինելու որոշել։ Այդպես է կյանքի ընթացքը, այդպես է մարդկության զարգացման, առաջընթացի տրամաբանությունը, փիլիսոփայությունը։

Կարևորելով պետական կառավարումը, նշենք, որ ըստ մասնագիտական որոշ շրջանակների, այսօր երկրները սկսում են մրցակցել պետական կառավարման մոդելներովինստիտուտների աշխատանքով, և ոչ թե աշխատուժի գնով, հարկային քաղաքականությամբ։ Եվ այս առումով, ժամանակակից պայմաններում ինստիտուտների աշխատանքն է առաջին հերթին պայմանավորելու պետությունների հասարակական համաձայնագրերի ճակատագիրը։

Պետության կամ շուկայի կարգավորումների ամնամեծ վտանգն այն իրավիճակն է, երբ կա շատ մեծ կենտրոնացում պետության ձեռքում կամ էլ հակառակը, երբ շուկայի կարգավորման մեխանիզմներն անվերահսկելի են դառնում։ Այդպիսի իրավիճակներից խուսափելու գրավականներից առանձնացնենք մարդկանց հավասար հնարավորություններ տալու գործոնը։ Կարևորն այն չէ, թե որքան է հասարակության մեջ անհավասարության չափը, այլ այն է, թե մարդիկ ինչքան հնարավորություններ ունեն իրագործելու իրենց ծրագրերը, կարողությունները սոցիայական բուրգի ամենավերին աստիճանին հասնեյու համար։

**Բանալի բառեր**. պետություն, շուկա, ինստիտուտներ, պետության և շուկայի <<ձախողումներ>>, հասարակական բարիքներ, մրցակցություն, ծախսեր, եկամուտներ:

# СОВРЕМЕННЫЕ ВОСПРИЯТИЯ РОЛИ ГОСУДАРСТВА

### В. Г. Хачатурян

Ереванский государственный университет

Восприятие роли государства имеет тенденцию постоянно меняться, что вполне естественно, хотя бы потому, что исследования роли государства и его функций не прерывались, более того имели важное значение во все времена и во всех обществах. Попытки найти единственно правильную модель не закончились и не закончатся никогда, так как границы противостояния и сотрудничества государства и рынка никогда не будут однозначно определены. Такова логика, философия человеческого развития, прогресса.

Подчеркивая важность государственного управления, следует отметить, что, по оценкам экспертного сообщества, сегодня страны конкурируют между собой моделями государственного управления – работой институтов, а не затратами на рабочую силу или эффективностью налоговой политики. И в этом смысле в современных условиях именно работа институтов должна в первую очередь определять судьбу общественного согласия.

Наибольшую опасность для государственного или рыночного регулирования представляет собой ситуация, когда в руках государства сконцентрировано слишком много функций или наоборот, когда механизмы рыночного регулирования становятся неуправляемыми. Во избежание таких ситуаций необходимо предоставить людям равные возможности. Важно не то, какой уровень неравенства установился в обществе, а то, насколько люди имеют возможность реализовать свои планы и способности для достижения самого высокого уровня в социальной пирамиде.

**Ключевые слова:** государство, рынок, институты, «провалы» государства и рынка, общественные блага, конкуренция, затраты, доходы.

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