

LIVE WITHIN YOUR OWN MEANS: CHIEF EDITOR'S REMARKS

The first lesson which Augusto Lopez-Claros – chief economist of the World Economic Forum and editor of the annual *Global Competitiveness Report* – has learned from his own experience is: «Live within your own means». This rule is undeniable, it is fundamental for every decent individual. Yet, Augusto Lopez-Claros does not address this message to ordinary citizens – he addresses it to governments. This rule should primarily be used by the governments that know how to seize the power, but do not know how to use it to create a welfare society.

The countries which had no luck with governments (either previous or present) appeared in the second part of the *Global Competitiveness Index* table published in the Statistics section of this issue of the Journal. Not only present governments were considered, but also their predecessors. In general, a government should be considered as a team that takes part in the world championship for economic leadership. It receives annual budget to finance its every game, and it has to use it better than other governments do it.

However, the art of a team game does not consist in satisfying the needs of certain parts of society – oligarchs, middle class, pensioners, low-paid employees, etc. They all should receive their piece of the «pie» in accordance with the state's possibilities and current necessity. The art of the team game consists in the ability to create better opportunities for the team in the next game, because in the interstate competition wins only the country which can collect its strengths for the whole «championship calendar», not for one game only. Strategically, it is important for Ukraine «to build up muscles» – in contrast to leading countries, which are concerned more with preserving their potential and which can afford some relaxation.

Probably, the most vivid games are played by global corporations. In spite of endless replacements in the teams of such companies as Mercedes, Volkswagen, Ford, Mitsubishi, ABB, Unilever, BASF, DuPont, Mazda, Chevron, General Motors, Colgate-Palmolive, Procter and Gamble, Shell, and others, their products are continuously improving and profits increasing. Moreover, this success is achieved within the capital earned. As for the governments, Ukrainian in particular, their predominant philosophy is to extract resources from the real

economy and distribute them according to business interests of the ruling «beau monde».

Isn't it high time for the national elite that operate intellects, not money, to form the nation's clear comprehension of a standard model of the government of new millennium? The government, capable of gaining victories in the today's game and in the «world championship» with available resources, and willing to create preconditions for the arrival of a no less successful team in the «new season»? From this, the governments should find it «old-fashioned» to explain their defeats by the predecessors' actions. Every new government should start with accumulating the most useful things created by the previous government and produce new energy to generate higher rates of development. This should be the underlying principle of forming the team of players who add new power (in comparison with predecessors), but do not conserve previous drawbacks.



(Yevhen Savelyev)