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STRUCTURAL POLITIC IN THE USA

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The imbalance of the American economy is a powerful factor of global economic instability, which fully manifested during the 2008-2009 crises. Ukraine suffered from the crisis more than other countries in the effect-end non-diversified nature of its exports and the economy. Even the simple comparison of these well-known facts shows that although indirect, but significant dependence between the U.S. and the Ukrainian economy, and approximation of the second wave of the crisis increases the relevancy of the topic.

Analysis of recent researches and publications

The literature has focused on a lot of attention to the analysis of structural changes, occurring in the U.S. economy in recent decades. At that, having begun in the 80-ies of the process of deindustrialization of the economy of the USA is considered, as a rule, in the context of the theory of post-industrial society, launched by H. Bell back in the 70-ies. From this point of view, this trend appears as an objective historical process, associated with the transition of the modern highly developed society to a higher stage of its evolution. Varieties of this approach are numerous variants of the concept of "service" and "service economy". In the XXI centuries witnessed the further development of this methodological approach. He has transformed into a concept of after modernization [1]. In the same direction oriented and the theory of the "creative class" American economist R. Florida [2]. Methodologically close a period of economic thought also form a multiple of the concept of globalization, considering the de-industrialization of the U.S. economy, accompanied by the transfer of industrial production in the less-developed countries, as an integral part of this objective historical trend.

Such prevailing in modern economic literature objective approach to the analysis of these complex processes is seemed a bit one-sided. In fact, the dramatic structural shifts in the American economy, does not only link with the nature of the objective historical process, but with some significant features of the structural policy of the United States, the consideration of which is the subject of this article.

Form of the purposes of article. The main goal of the article is an analysis of the American structural policy from the point of view of its influence on the processes of deindustrialization of the economy of the United States, broke out in the 80-ies. The methodological basis of this analysis is to consistently distinguish between the two sides of the structural

Григор'єва С.В. Структурна політика у США.

Аналіз структурної політики США дозволяє обґрунтувати головний методологічний висновок про те, що для забезпечення сталого розвитку структурна політика держави має впливати з діалектичної єдності інституційної та галузевої сторін економічної структури.

Ключові слова: структурна політика, деіндустріалізація, галузева структура, інституціональна структура, структура національної економіки

Григор'єва С. В. Структурная политика в США.

Анализ структурной политики США позволяет обосновать главный методологический вывод о том, что для обеспечения постоянного развития структурная политика государства должна исходить из диалектического единства институциональной и отраслевой сторон экономической структуры.

Ключевые слова: структурная политика, деиндустриализация, отраслевая структура, институциональная структура, структура национальной экономики

Grygoryeva S. V. Structural politic in the USA.

The analysis of structural policy of the USA allows substantiate the main methodological conclusion that in order to ensure steady development the structural policy of the country should flow from the dialectical unity of institutional and sectoral aspects of the economic structure.

Keywords: structural politic, deindustrialization, sectoral structure, institutional structure, structure of the national economy

policy – sectoral (industrial) and institutional. This dual nature of the structure of the national economy and, respectively, structural policies have not yet received sufficient reflection in the economic literature. The underestimated the dual nature of the concept of "the structure of the national economy". On the one hand, this concept includes the sectoral structure of the national economy, i.e. the composition of forming its industries and the ratio between them, and on the other hand – institutional structure, which is characterized by, first of all, concentration, integration and monopolization of production. Objectively sectoral and institutional aspects of the structure of the national economy are always in unity: the restructuring of the industry structure requires a change of the institutional structure, and transformation of the institutional structure in its turn, is connected with change in the sectoral composition of the national economy.

Presentation of the basic research material

On the whole the economic science has considerably advanced in the research methodology of the structural problems, but the study of industrial and institutional aspects were conducted mainly separately. For example, the study of the institutional structure is engaged in the theory of industrial organization, which represents a relatively new direction of economic science [3; 4; 5; 6]. However, the development of the theory of industrial organization, took place separately from the study of the sectoral structure of the national economy as a whole and of its dynamics, and research on the sectoral structure in its turn does not always take into account (or, in any case, do not fully take into account) institutional structure of the bio-economy.

This gap between sectoral and institutional aspects is typical not only for economic science, but also for most of the state in practice, structural policy, are not able to comprehensively cover these two sides of the structure of the national economy. Do not avoid this dangerous gap and the United States.

In the United States traditionally has paid more attention to the regulation of the institutional structure of the economy associated with the concentration and monopolization. Partly this is explained by the objective historical fact that the United States in the late nineteenth and early twentieth century's by the level of monopolization of production went ahead of the other States. On the other hand, it is the American society with its ideology of free enterprise is especially negatively related to the industrial monopoly. At the same time for the adoption of the antitrust legislation was primarily supported by farmers and representatives of small business. The answer to monopolize became anti-trust Law, passed in 1890, when the wave of public outrage of trusts has reached its highest point.

But already the first attempts to judicial interpretation of the Sherman act caused serious doubts about its effectiveness. It became evident the need to more clearly formulate antitrust intention of the state power. These problems have been designed

to solve the Clayton act, passed in 1914, adopted in the same 1914, the Federal trade Commission, the law Weller-Lee (1938), the Seller-Kefower low (1950). Thus, at the end of the XIX – first half of the twentieth century in the United States was basically formed a legislative basis of Antimonopoly regulation.

In other developed countries with market economies, anti-monopoly regulation has evolved with some lag, but by the mid 80-ies most of these countries have anti-monopoly legislation, in General terms, similar to the American. Thus, the Federal Republic of Germany adopted the basic antitrust act in 1957 and have tightened control over mergers in 1973. France had legislative restrictions on fixation of the prices and other anti-competitive behaviour with another 1791, however, these restrictions largely ignored until serious amendments, made in 1977. Japanese anti-monopoly legislation was based on regulations imposed by the American occupation authorities after The Second World War. Explicit measures to ensure competition policy at the international level contained the Treaty of Rome of 1957, who created the European economic community [4, 7]. However, in the literature, it is noted that the effectiveness of Antimonopoly legislation is not always in line with the plans, which lay at the basis of its adoption. In the US the desire of the Federal government to apply antitrust laws in practice experienced significant fluctuations throughout the twentieth century. The most important controversial issue, which arises as to the interpretation of the Antimonopoly legislation, concerns the relationship between monopolistic structure and anti-competitive behavior. One of two opposite points of view on this issue, which has received the name "structuralist ones", comes from the fact that the industry, which has a monopolistic structure, inevitably will behave as a monopolist, to resort to restrictive business practices. The structure of the market is characterized by product differentiation, the level of barriers to entry in the industry, degree of vertical integration, but the main structural parameter is the level of production concentration, measured by the Gini indices and Herfindahl. "Structuralist" approach had a strong impact on the Antimonopoly law in the mid-twentieth century, because in this period the trust of the public opinion and public policy to the monopolies was undermined "the great depression", the main culprits of which were considered to be large corporations [8].

On the contrary, "behaviorist" proceed from the fact that the relationship between the structure and the operation is more complex. They believe that monopolized the industry may well be technologically progressive and have a high reputation by providing high quality products at affordable prices. Therefore, if the industry is functioning well and is fast and its leaders do not engage in anti-competitive activities, they can hardly be blamed for violation of the antitrust legislation on the grounds that they concentrate in their hands the economic power. This approach prevails among modern economists [7].

In General in the history of antitrust policy in the United States can be singled out three series of successive stages: firstly, the predominance of the "behaviorist" approach to the conduct of anti-monopoly policy in the late XIX – the first third of the twentieth century, secondly, the domination of the "structuralist ones" point of view in the 30-70-ies. XX century and, finally, return to the 80 years to the "unbehaviorist" approach, continuing to this day.

The transition from "structuralism" to "behaviorism" in antitrust regulation in the 80-th years coincided with a sharp bend on the sectoral aspects of the structural policy of the USA. On the one hand, President Reagan sought to reduce the role of the Federal government in the economy by tax cuts. On the other hand, he wanted to maintain a strong position in the military field. The simultaneous achievement of these goals was impossible in the framework of a balanced budget. Exacerbating the situation and fact, of the fiscal and monetary policies carried out under the leadership of two opposing schools of research. Fiscal policy was heavily influenced by the "supply side Economics", with its emphasis on the reduction of tax rates for business, and the monetary policy directed ideas of monetarism. Monetarists considered the main objective of controlling inflation through the strict control of the money supply. Before that, the fed, in accordance with the Keynesian recommendations considered the main objective of monetary policy regulating effect on the interest rates on short-term credits. Now, when the main goal of monetary policy has become a money supply, the fed has allowed interest rates fluctuate freely. Since the budget deficit combined with the restriction of the money supply, interest rates have risen to unprecedented levels. Despite this, the economy in 1982, rushed forward. This was promoted by growth of military expenditures, as well as the introduction of accelerated depreciation and other tax concessions to business. Due to high interest on financial assets widely attracted foreign capital. The dollar has strengthened its positions. Escalation of the currency, along with a positive difference of interest rates, made the flow of capital, is translated into U.S. dollars, the irrepressible. A strong dollar attracted importers, which have helped to maintain a relatively low level of prices. Started reinforcing process, in the course of which a strong economy, a strong currency, a large budget deficit and the large trade deficit are mutually reinforcing and lead to noninflation growth. J. Soros called this circular process "Imperial circle", because it means the financing of the build-up of military power through the attraction of foreign goods and foreign capital [9].

Such a policy meant a sharp break-up of the sectoral structure of the American economy [10]. An overvalued exchange rate of the dollar contributed to the "deindustrialization" of America [11]. The tendency to increase of the dollar rate in the 80 years caused a lot of concern about the placement of industrial production in the USA. There were serious difficulties for many sectors of the economy related to international trade. Industries such as automotive,

steel, textiles and agriculture, found that the demand for their products is reduced to the extent that, as prices become higher than the price of the foreign competitors. In connection with the closure of many factories and plants, sharply increase unemployment in the industrial centers. Mid-West became known as the "rust-belt". The meaning of this risky structural policy in the real sector of industrial production are sacrificed in the financial sphere, the leading subjects of which have a vested interest in the globalization of production and capital, meaning the relocation of industrial production of the USA in the countries of Asia and Latin America. It is not surprising, therefore, that A. Greenspan, who led the fed and responsible for monetary policy during most of the period deindustrialization of the American economy, calmly and without a shadow of a negative predicts further de-industrialization of the United States, as a result of which "the economic product will be substantially more conceptual" [12].

In order to understand this complex issue, the literature has suggested first of all proceed from the difference between competitiveness and productivity. Competitiveness reflects the possibilities of domestic goods to compete in the market. These features are determined primarily by the ratio of the prices of the goods of domestic and foreign production. Competitiveness is different from productivity, which is measured by the release of a worker or per unit of cost. Indeed, the competitiveness of the United States was severely weakened in the 80-th e-Bay. However, the reason was not to slow down the growth of productivity, and the rise in price of the dollar. Performance in this period grew even more rapidly than in the previous decade. Thus, conducted in the literature distinction between competition and productivity essentially means that deindustrialization is largely the result of a corresponding structural policies, on the one hand, the United States, and with other countries, which due to this exercise industrialization of their economies.

For its part the government of the countries of: Asia, especially in China, conduct a classic policy of the mercantilists, carried out in our time by means of artificially undervalued exchange rate. The Central banks of these countries have taken a massive intervention in the foreign exchange market, buying up dollars and confronting the relatively sluggish external requirements of a revaluation of their currencies. Investing their dollars in U.S. Treasury bills, the countries of Asia the "sterilized" them, preventing the growth of prices on the domestic market, since such growth of prices would undermine the competitiveness of their exports. Thus stimulating the industrialization, they have pursued a policy of structural changes, directly opposite the U.S. policy that ignores or in fact, even indirectly favoring the process of rapid deindustrialization of the American economy. This led to the formation in the United States a huge negative trade balance [13].

This was possible because the United States can afford practically no limits to borrow in its own currency at low interest due to the special situation of

this country as the Issuer of the key currency of the world. The main essence of the dollar standard that thanks to him, the United States was able to Finance an incredibly large current account deficit, selling debt instruments to trading partners, instead of having to pay for imports of gold, as it had to do in the Bretton-Woods system. So the dollar standard has led to an era of globalization [14]. The U.S. got a possibility to pay for the import of nothing secured dollars or debt instruments are valued in dollars. For over 30 years, the United States brought the cumulative current account deficit to the amount exceeding \$3 trillion. In the banking systems of the countries with a surplus of current operations with the United States, the money started the process of lending, as if he was discovered a huge stock of gold. The United States became the world's major consumer. The United States accounts for about 20% of world production, and America consumes about 35% of [15]. To support this difference the country has to constantly borrow money that constantly aggravates the problem of external debt.

The currency mismatch remains to this day. For example, according to world-bank data, evaluation of the ruble against the dollar is 0.5 in purchasing power parity even without taking into account depreciation of the ruble against the dollar this year. Meanwhile, according to UNCTAD data, the 1980-2010, from the United States in the form of direct retail-investments took 4 843 billion dollars. For the same period in the U.S. economy, foreign investors have invested huge, but far less money, namely 3 451 billion dollars. The difference in 1392 billion dollars represents a direct outflow of investments outside of the U.S. As a result the U.S. from October 2000 lost a total of about 5.5 million jobs in manufacturing (32%). Meanwhile, from 2000 to 2008, employment in foreign affiliates of U.S. companies increased by 30% and exceeded 10 million people. In 1950, industry accounted for 28% of the American economy. In 2008 the share of the industry stood at 11.5%. As of the end of 2009, less than 12 million Americans worked in the workplace. The last time less than 12 million Americans were employed in production in 1941. Since 2001, more than 42 000 American factories were closed forever. The vast majority of jobs, which creates today, the American economy is low-paid jobs. In fact, more than 40% of working Americans now work in low-paid service jobs [16].

And only in 2012, there appeared some hopes for the change of this dangerous trend and stop the process of deindustrialization. At the present time, U.S. companies are planning to return to their homeland machine-building power, previously made recommendations in countries with cheap labor. In January 2012 in the United States were established 50 thousand new jobs in the machine-building industry. The Obama administration promises to support this trend by cutting taxes. The upcoming trend towards the restoration of machine-building production in the USA is connected with the threat of decrease in quality of products of American companies, produced abroad. Introducing production facilities abroad,

American corporations are not always able to effectively control the quality. As stated the head of aircraft building concern "Boeing" J. Makkerny: "We underestimated the peculiarities of local workers". For example, the delay with the release of "Boeing-787", known as "Liner dream", the Corporation explains the problems of utilization of the labour force in the undeveloped countries. Because of this, "Liner dream" was late for 3 years with an output on the market. A similar opinion is shared by the President of the largest in the world machine-building Corporation "General electric" J. Immelt: "essentially we return the instrument back from Mexico and China". At the present time the machine-building companies are looking for 600 thousand employees and forecast the growth of demand for technical specialties. "You will see the continuation of this process in the future", – said the head of the "Boeing". Characteristically, the most popular with the people become, served in the army, as they have the best skills operations with the equipment and instruments than civilians. This is due to the fact that for several decades, during which the American company carried out the production abroad or passed his sub contractors from Asia and Latin America, in the country had a deficit of personnel capable to work in mechanical engineering.

Why did the United States for decades not take energetic measures that would stop these adverse to their economy structural shifts? Understanding the ambiguous nature of the structural policy logically leads to the answer to this question. This is largely due to the fact that the U.S. government has traditionally paid more attention to the regulation does not industrial and institutional structure of the economy. A one-sided structural policy comes from the neoclassical notion that the economy operates the more effective, the closer it is to the model of perfect competition. This approach is typical of the neoclassical "the main flow" ("main stream") of modern economic thought, which officially prevails in the United States.

The main principle of the classical school of economic science was the economic liberalism, resulting in an effort to minimize state intervention in the economy. The best economic policy of the state is no politics, said A. Smith. He explained this by the fact that the market economy is best manages the "invisible hand" of the free competition. Neoclassic, arisen in the end of XIX century; justifies the principle of economic liberalism through a new, technologically improved tools associated with the use of limit values. Critical values are considered to be attributable to the last unit of economic benefits, for example: marginal costs, the income limit, the marginal product, the marginal productivity, the marginal rate of substitution, etc. On the basis of the use of this technique the analysis of the neoclassical microeconomics seeks to prove that the most efficient is the market economy of perfect competition. It was under the condition of perfect competition in the economy of the maximum production volume, and prices are minimal. But the approximation of the

national economy is the perfect competition model of interfere with elements of monopoly, generated by its institutional structure. Therefore the state should focus on the institutional structure in order to reduce these elements monopoly to a minimum. The liberated from the bondage of the monopoly of the market economy through the mechanism of price competition itself will automatically determine the optimal industrial structure. Such a liberal approach to the structural policy in modern conditions proved to be totally inadequate. The lack of attention to the sectoral structure of the economy has led to the fact that its formation was actually slated to chance. The result is a fast de-industrialization of the U.S. economy, which is one of the most important sources of modern economic instability.

Findings of this research and perspectives of further researches in this direction

All this is important to consider not only for the understanding of the structural origins of the global economic instability, but also for the formation of structural policy in Ukraine. The main methodological conclusion lies in the fact that, to ensure the sustainable development of the structural policy of the state should be based on the dialectical unity of the institutional and industry of the parties of the economic structure. The mistake made in at least one of these aspects, makes a mistake and the structural policy in General and leads to dangerous consequences for the economy. Therefore, the deindustrialization of the U.S. acts as a negative confirmation of the most important methodological principle of the unity of the two sides of the structural policy of the state.

Another, no less important, the conclusion is connected with the danger posed to the economic and, in particular, the structural policy of the state support to the neo-classics and neo-liberalism. The United States largely due to the neoclassical theory of the fact that they have virtually no coherent structural policy to address all aspects of the structure of the national

economy. Bias in favor of the institutional aspects was accompanied by strategic underestimation of the importance of sectoral aspects of the structural policy. This was manifested in the underestimation of the structural implications of the policy of "Imperial circle", resulted in the de-industrialization of the economy.

At the same time until recently economic globalization and connected with it the de-industrialization of the U.S. economy generally not perceived as a negative phenomenon. Historically progressive character of these processes vying praised and go on praising the supporters of the numerous theories of globalization of the economy. A considerable contribution to the strategic underestimation of the negative consequences of deindustrialization, as already noted above, have brought in the theory of post-industrial and information society. They were called upon to convince Western society in the fact that nothing particularly alarming in it does not happen, that it should be.

And only now, under the influence of the crisis, economists are beginning to focus on the negative consequences of these processes. Now before them in all growth rises categorical question of the means whether the process of deindustrialization the transition to a post-industrial society, which represents the progressive movement in the ascending line of historical development, or may be, on the contrary, no more than a temporary setback, the downward line, zigzag of history. In this article it is impossible to give an exhaustive answer to this complicated categorical question, but the set of his tears the scope for research in applied and theoretical character, aimed at the clarification of the role of insufficiently balanced structural policy in the ongoing deployment of the process of deindustrialization highly developed and, first of all – of the American economy.

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