

UDC 338.24.01:338.984
JEL: A14, B41, F63, O44, D40

MANAGEMENT OF THE NATIONAL ECONOMY AS AN ELEMENT OF THE SOCIO-ECONOMIC SPACE OF THE COUNTRY

**Yevheniia Kovalenko-
Marchenkova**

Candidate of Economics, Associate
Professor,
Analytical Economy and Management
Department,
Dnipropetrovsk State University of
Internal Affairs,
Dnipro, Ukraine
E-mail:
kovalenko.marchenkova@gmail.com
orcid.org/ 0000-0001-7350-7740

Introduction. The interest in the problem of public administration in the development of a country's national economy is increasing. Such questions are always in line with the interests of economic theory and business practice. Under the influence of factors, the national economy of Ukraine is transforming into a whole organism, which, under the influence of factors, loses some signs and acquires new ones.

Aim and tasks. The aim of the research is to develop the conceptual apparatus for managing the national economy as an element of social economic space of the country.

Results. The result of the study is the development of a conceptual apparatus for managing the national economy as an element of the socio-economic space of the country. First of all, the system of economic and social connections and relations between subjects of the national economy, related to the implementation of economic activity and the satisfaction of the social needs of the population, is functioning. Secondly, management of the national economy is carried out, which is related to the accumulation of resources (production, financial and investment, scientific and technical, informational, etc.) necessary for the uninterrupted implementation of various types of economic activity of subjects and the satisfaction of the social needs of society, as well as their effective distribution and use. Thirdly, the interests of all participants in the processes of functioning and development of the national economy as an open, complex socio-economic system intersect. Fourthly, certain features depending on the specific country (national features) are revealed. Finally, the economic and social components of the management orientation of the national economy and its separate elements are organically combined, which ensures their close interaction and complementarity.

Conclusions. The statement that the national economy is an element of the socio-economic space can be considered fully justified, given that the study of the national economy in terms of its belonging to the socio-economic space gives the most comprehensive and accurate idea of the reality, the presence of connections and relations inherent in the objects operating within it and allows for more effective management of the national economy.

Keywords: national economy, globalization, public administration, efficiency, economic policy, management.

Received: August 03, 2022

Accepted: September 23, 2022

DOI:10.31520/2616-7107/2020.6.3-4

© Economics. Ecology. Socium, 2022
CC BY-NC 4.0 license

1. Introduction.

The national economy is subject to the influence of new laws development of the world economy and technical progress. In this regard, before every national economy is faced with the question of finding new ones opportunities and a change in the vector of development in global conditions transformational changes. These questions concern the problems of identification economic relations, determining the conditions of the functioning environment national economic system, its structural features, opportunities to ensure sustainable economic growth, as well as conditions, factors and opportunities for building a competitive national economy in the conditions of globalization. Solving such problems requires established management system, which provides for the presence of comprehensive, reliable and up-to-date information.

At the current stage of functioning, the national economy of Ukraine is dynamically transforming into a whole organism, which, loses some features and acquires new under the influence of different factors. The normal functioning of the national economy is characterized by progressive technological and territorial-industry proportionality, which is formed in specific historical conditions and is characterized by stability and the presence of conditions acceptable to all interested parties. Moreover, each national economy has a spatially defined and nationally specific organization of socio-economic life. The management of the national economy involves the organizing and regulatory influence of the state on the economic activity of market subjects in order to order it and increase its effectiveness, and therefore requires certain theoretical and methodological support.

Availability of relevant information increases the level of organization management, increases the efficiency of the functioning of the set of subjects management within the national economy. Regarding management the national economy, the availability of such information makes it possible to on the basis of its processing, to exercise organizing and regulatory influence of the state on the economic activity of market subjects in order to regulate it and increasing productivity, and therefore requires a certain theoretical and methodological support.

2. Literature review.

The theoretical foundations of the formation and development of the socio-economic space, its theoretical and methodological basis are presented in the works of Ukrainian and foreign scientists. However, a detailed study of the research results of scientists whose works are devoted to both the management of the national economy and the formation of the socio-economic space allows us to conclude that their research is based on different methodological approaches.

The praxeological aspects managing the national economy are associated with a change in certain paradigms, principles, methods and approaches to management. The dominant paradigm of modern management of the national economy is the concept of sustainable development, which combines the solution of the triad of economic, social and environmental problems (Verkhoglyadova, 2022). Therefore, a systematic consideration of the management of the national economy in the spatial aspect, which implies its direction to the solution of these problematic moments in a certain space, is absolutely necessary, which confirms the importance of further study of the theoretical and methodological foundations of the management of the national economy in the socio-economic space. The identified difference in views calls for a more detailed study of the concept of space (Polishchuk, 2021).

Kuharska (2020), the concept of economic space dominates, which is the basis of a special field of scientific research – spatial economy, i.e., is first of all, we are talking about spatial boundaries when studying any socio-economic system. Therefore, the principle of systematicity is the main methodological principle of modern scientific studies on the socio-economic space and management of the national economy (Rybalchenko, 2021). The scientific provisions of the research based on the use of the principle of systematicity have been worked out and developed in various fields of science, the main of which is the science of systems, which lays the foundation for the research of any systems that find their continuation and specification in related fields of science that deal with by studying not the general principles and properties inherent in all systems without exception, but consider the principles and properties of specific systems.

3. Aim and tasks.

The purpose of this research is to develop conceptual apparatus for managing the national economy as an element of the social economic space of the country for further development of the theory of sustainability economics in terms of generalization and systematization of theoretical provisions on the definition and classification of conditions and factors to ensure a sustainable open economy to negative external influences.

A complete and reliable analysis of the modern economic system today is impossible only from the point of view of one school of economic theory. An interdisciplinary approach is needed here, which would cover law, politics, economics, culture, traditions.

4. Results.

The term "system" comes from the Greek word *systema*, which in a detailed translation means "composed of parts, united" and has the following general interpretation: a

set of entities (objects) and the connections between them, isolated from the environment for a certain time and with a purpose.

There are several explanations of the "system" concept:

- Order caused by the correct, planned location and mutual connection of parts of something;
- classification;
- form of organization, structure of something (state, political, economic units, institutions, etc.);
- a set of any elements, units, parts united by a common feature, purpose;
- a set of principles that are the basis of a certain teaching;
- structure, which is a unit of regularly arranged and functioning parts (Shults, 2010).

Like any fundamental concept, the system is best specified by considering its main properties. These properties can be classified into five groups based on their binding to a certain element (Fig. 1).

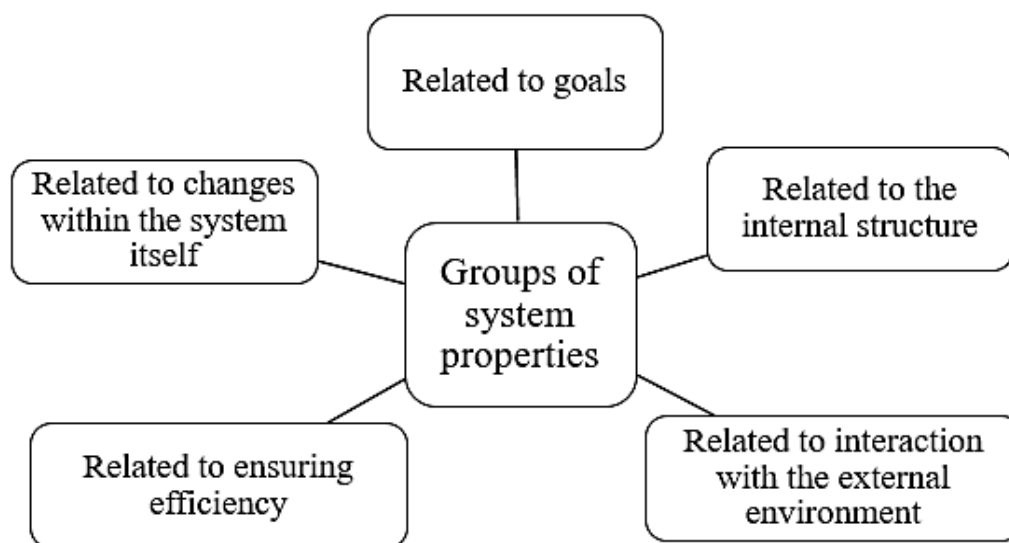


Fig. 1. Main system properties.

Source: based on Zolotukhina (2021).

For the first group of properties we attribute purposefulness as the subordination of the system's activity to a certain goal. Second, the property of the system is the priority of interests – the predominance of the interests of the higher-level system over those of its elements (system components). Third,

the property of the system is contingency, according to which those of the system elements do not always coincide with the goals of the system as a whole. Fourth, one of the properties is alternativeness – the search for alternative ways to achieve the goals of the system's functioning.

Properties, which reflect changes within the system include the following: development (as the ability of the system to change its state over time), integrability (as the presence of system-forming and system-maintaining factors), self-organization (as the orderliness of elements of one level of the system due to internal factors) and reliability (as the ability to the functioning of the system if one of the system elements fails).

The next group of properties is revealed by the ability to ensure the efficiency of its functioning. In our opinion, it is appropriate to include non-additivity (the impossibility of reducing the properties of the system to the sum of the properties of its elements), multiplicativeness (the effects of the functioning of the system elements have the property of multiplication), synergy (exceeding the effect of the unidirectional action of the system elements over the sum of the effects of their separate action) to such properties, in our opinion. and equifinality (the ability of the system to reach states that do not always depend on the initial conditions and are determined by the parameters of the system).

The last group of system properties is related to interaction with the external environment. First of all, it should be noted the relationship and interaction of the system with the external environment. In addition, the properties of the system are interactivity (openness of the system), communicativeness (the existence of a complex system of communications with the environment in the form of a hierarchy) and adaptability (the ability to adapt to changing parameters of the external environment).

A review of the scientific literature proved that the national economy as a type of socio-economic system is a set of certain objects that interact with each other and with the external environment and has all the properties inherent in the system as a whole.

Considering the space as a certain system, we should note the definition of a spatial system in the context of spatial interaction and spatial combination of various elements that function purposefully in real

space; the spatial system as a functionally complex one that has structural and sectoral integrity, and foresees a certain placement of the components of the natural, social and economic environment in space, its spatial indivisibility; L. Rybalchenko, who considers the spatial system in the aspect of globalization as a spatially functional unity that is managed and organized (Rybalchenko, 2021).

It should be noted that the concept of space, which was introduced into scientific circulation by the philosophers of antiquity, still does not have a generally accepted definition of its essence and content and causes discussions among leading modern specialists who use it in various spheres of social activity (Polishchuk, 2021).

At the same time, today scientists have a similar opinion that the space characterizes the coexistence of objects, their length and structure, mutual location, and the very concept of "space" is closely related to the structure of matter, its ability to be divided into parts, because this property allows highlight the constituent parts of the object, consider their mutual location and mutual coordination, which form the space as such.

The space of each individual system is fundamentally open and continuously passes into the space of another system, which may differ in certain local properties.

It is worth noting that if we talk about the national economy as a system in the spatial aspect, then the concept of "space" is perceived as "environment of functioning". But it should be noted that the environment exists independently of the actions of the subjects, and at the same time the space is the result of their interaction and activity. That is, space is a broader concept than the concept of "environment".

Regarding the specification of the meaning of the concept of "space", it requires consideration of its various types, in particular economic and social.

The researched opinions of scientists regarding the general properties of space are systematized in Table 1.

Table 1. General properties of space.

<i>No.</i>	<i>Properties</i>
1	Objectivity of existence
2	Independence from human consciousness
3	Subjectivity of perception
4	Absoluteness
5	Inextricable connection with time and the movement of matter
6	Dependence on structural relations and development processes in systems
7	Connectivity and continuity
8	Three-dimensionality
9	Extent (the presence of a number of elements and their coexistence)

Source: based on Martseniuk, Cherniak, & Tishchenkova (2020).

It has been established that the concept of economic space is used most frequently – a concept that encompasses relationships and relationships that arise in the course of economic activity. The expansion of the boundaries of the use of the concept of space in economic activity is due to its acquisition of practical economic meaning in the expression of a single economic space. The concentration of the economic space is one of its characteristics, which is determined by the ratio of the number of separate economic processes included in the comprehensive process to the total number of private processes implemented by economic entities (Adams et al., 2019).

There are different definitions of the concept of "economic space": Some scientists define the economic space as a set of economic institutions (production, labor, financial, etc.), as well as the presence of the necessary functioning connections between them (Nazarenko, 2015), or as a space formed not only by "physical and legal entities of activity, which for the implementation of their economic needs and interests enter into economic relations, and the space formed by physical and non-physical objects, which are sources of economic interests and relations" (Kadylnykova, 2021), or as part of the real space, which is determined by the interaction of material systems of different hierarchical levels, which occurs in the process of economic activity of a person and is determined by its characteristics (Didenko, 2021).

That is, knowledge about space and the peculiarities of its formation contribute to fuller involvement in management activities as an additional resource, which contributes to its better use as an additional productive force.

Thus, scientists do not have a single interpretation of the concept of economic space. Some of them focus on the elements of the economic space – represented by either subjects or objects, or both subjects and objects, between which certain relations and relationships arise, but do not specify their nature. Others, on the contrary, focus on the fact that the interconnections and relations between the elements of the economic space occur within the framework of the implementation of economic activity, instead, they do not specify the elements of this space.

The concept of socio-economic space was formed by combining the leading category "space" with the feature "socio-economic" and considering the semantic content of these semantic components.

Both social and economic spaces are characterized by conditionality (dependence on certain objective circumstances), intersection of processes (unity of economic and social relations), consolidation (commonality of basic interests, combination for their achievement), harmonization (the impossibility of progress without the development of culture) and functioning in the information and communication environment (Nazarenko, 2015; Wilkerson et al., 2018; Sommers, Mehretu, & Pigozzi, 2019).

At the same time, the socio-economic space reflects the functioning of the system in which the object of management keeps its structure and properties unchanged for a certain period; therefore, the management of the national economy can be carried out based on a forecast period with clearly defined parameters of its development (Lorentzen, 2007). Economic space is characterized by relationships and relationships related to the implementation of economic activities with the most profitable results. The relations that flow in the social space and shape it are an important manifestation of long-lasting, stable, systemic, renewable, diverse social connections (Horina, 2016).

Economic expediency (which most often appears as profit maximization) is the criterion for the optimality of relations between subjects in an economic space. As for social space, the relationships that characterize it are built using the criterion of balance of interests.

That is, in a separate form, economic and social space differ. Thus, subjects of economic relations do not always coincide with social agents who enter into social relations within the social space. Social agents do not always strive for economic expediency as a result of their activities. Therefore, in our opinion, the most complete meaning of the concept of "social and economic space" includes the presence of these elements (Fig. 2).

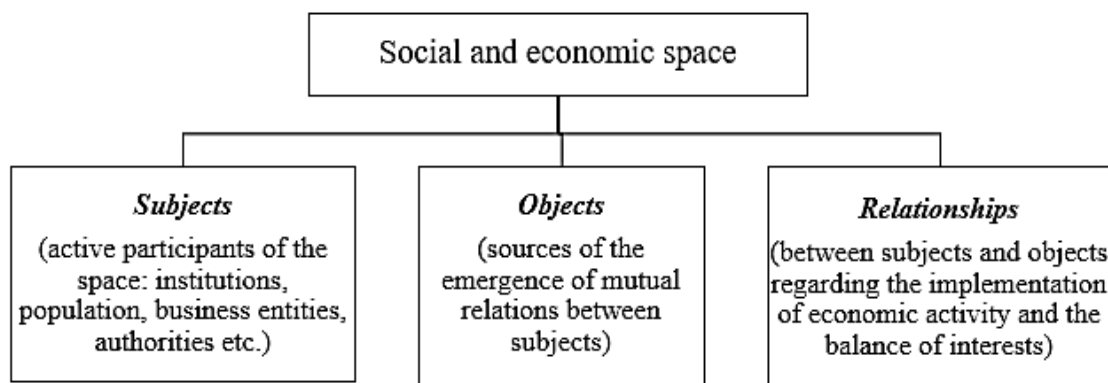


Fig. 2. Concept of "social and economic space".

Source: based on Polishchuk (2021).

It should be noted that the transformation of economic and social space into a single complex system provides an opportunity to combine their differences, avoid mutual exclusion, and to maintain a balance of interests while managing the national economy.

Considering the concept in the broadest sense, management is a purposeful influence on the object with the aim of stabilizing or changing in accordance with the assigned tasks (Kuharska, 2020). The need for production management arose, most likely immediately after the latter. From the increase in the scale of production activity management developed into an applied science, certain principles appeared management and its models.

In a narrower sense, management is an activity aimed at coordinating the work of the team and its individual representatives in the process producing goods and providing services.

Such activity is related to the organization concerted actions on a company scale and regulation of individual relations and enterprises (Pryputen, 2019).

In confirmation of the expediency of the position regarding the consideration of the management of the national economy as an element of the socio-economic space, approaches to the definition of the very concept of "national economy" should be considered. Among the existing approaches that are most often used when defining the concept of "national economy", the territorial one should be singled out, according to which the national economy is a territorial entity limited by the borders of the country, where all elements and components of economic life – enterprises, industries, regions function as a single organism, aimed at the reproduction of the social product and the means of its production, as well as the conditions of human life.

4. Conclusions.

Within a certain socio-economic space the system of economic and social connections and relations between subjects of the national economy, related to the implementation of economic activity and the satisfaction of the social needs of the population is functioning. The management of the national economy is associated with the accumulation of resources necessary for the uninterrupted implementation of various types of economic activities, as well as their effective distribution and use.

The economic and social components of the management orientation of the national economy and its separate elements are organically combined, ensuring their close interaction and complementarity. In general, all of the above confirms the fact that the study of the national economy and its management according to the set goals requires its structuring within the socio-economic space, the selection of individual subsystems, and the application of the principles of a systemic approach and spatial orientation.

REFERENCES

- Adams, D., Adams, K., Ullah, S., & Ullah, F. (2019). Globalisation, governance, accountability and the natural resource 'curse': Implications for socio-economic growth of oil-rich developing countries. *Resources Policy*, 61, 128-140.
- Didenko, A., Kovalenko-Marchenkova, Y., Kravets, O., & Lizut R. (2021). Cognitive approach to modeling population's quality of life. *Philosophy, Economics and Law Review*, 1 (2), 92-100.
- Horina, H. (2016). Study of the etymology of the concept of «economic space» as the basis of the categorical apparatus of the phenomenon of spatial polarization. *Agrosvit*, 17, 60-65.
- Kadylnykova, T., & Savkin, S. (2021). Increasing the efficiency of managing the financial results of market activities. *Philosophy, Economics and Law Review*, 1 (1), 37-42.
- Kovalenko-Marchenkova, Ye. (2019). Economic insecurity transformation in conditions of structural modernization of the Ukrainian economy. *Economic security at risk: findings from digitalization of the national economy*, 5, 37-63.
- Kuharska, N., Zabarna, E., & Zadorozhnyuk, N. (2020). National economy: theory, methodology and modern trends of transformation. Kherson: Oldi+, pp. 223-230.
- Lorentzen, A. (2007). The Spatial Dimension of Innovation: embedding proximity in socio-economic space. Institut for Samfundsudvikling og Planlægning, Aalborg Universitet.
- Martseniuk, L., Cherniak, N., & Tishchenkova, S. (2020). Economy, public administration and legal relations under the permanent armed conflicts: Paradoxes and regularities of development. *Economic Annals – XXI*, 181 (1-2), 4-17.
- Matviienko, R. (2013). The mechanism of formation of the «space» category. *Actual problems of the economy*, 6 (144), 17-20.
- Nazarenko, S. (2015). Features of the development of market social and economic space. *Proceedings of Scientific Works of Cherkasy State University*, 40 (2), 5-11.
- Polishchuk, A. (2021). Economic space in modern scientific discourse. *Proceedings of Scientific Works of Cherkasy State University*, 62, 33-34.
- Pryputen, D. (2019). Innovative approaches in the economic sphere. *Baltic Journal of Economic Studies*, 5 (4), 92-96.

Rybalchenko, L., Ryzhkov, Ed., & Ohrimenco, S. (2021). Modeling economic component of national security. *Philosophy, Economics and Law Review*, Vol. 1 (1). Pp. 25-36.

Shevchenko, S., & Munko, A. (2021). Public administration in the economic sphere of Ukraine: Strategic approach. *Estudios de Economia Aplicada*, Vol. 39 (5). Pp. 1-9.

Shults, S. (2010). Economic space of Ukraine: formation, structuring and management. Institute of Regional Studies of the National Academy of Sciences of Ukraine. Lviv, 390 p.

Sommers, L. M., Mehretu, A., & Pigozzi, B. W. (2019). Towards typologies of socio-economic marginality: north/south comparisons. In *Marginality in Space—Past, Present and Future* (pp. 7-24). Routledge.

Verkhoglyadova, N., Kononova, I., Morozova, Ye., Kubetska, O., & Kovalenko-Marchenkova, Ye. (2022). Management of structural changes in the system of economic formation of sustainable development. *Naukovyi Visnyk Natsionalnoho Hirnychoho Universytetu*, 2, 135-140.

Wilkerson, M. L., Mitchell, M. G., Shanahan, D., Wilson, K. A., Ives, C. D., Lovelock, C. E., & Rhodes, J. R. (2018). The role of socio-economic factors in planning and managing urban ecosystem services. *Ecosystem Services*, 31, 102-110.

Zolotukhina, L. (2021). Economic security management at the meso-level: Methodological and legal approach. *Regional Science Inquiry*, 1, 201-216.