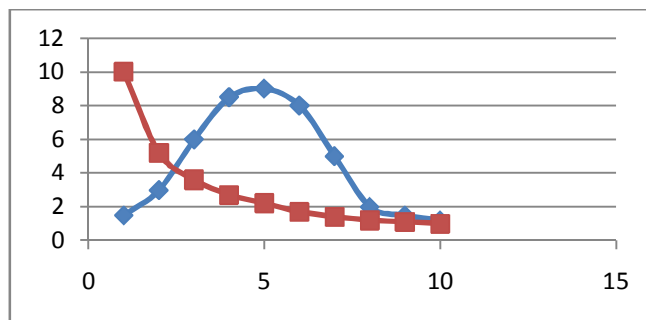


Revaz Lordkipanidze

**American Studies on Economic Wonderworks and Goodness:
My Half-Century Sincere Love and Scientific Interests**



Tbilisi

Philanthropic Research Academy named after Economist A. Gunia

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Dedicated to the Useful for All American Studies

Doctor of Economic Sciences Revaz Lordkipanidze (Specialization: Economics, World Economy and International Economic Relations. https://www.researchgate.net/profile/Revaz_Lordkipanidze) presents this historical-economic scientific essay about his half-century sincere love and interests to American Studies on economic wonderworks and goodness. R. Lordkipanidze is a member of the American Economic Association and researcher in Ivane Javakhishvili Tbilisi State University, Georgian Technical University, University Geometri, Tbilisi Teaching University and other famous universities and academies, he is the author of 10 monographs, more than 30 books (including electronic) and 250 publications. This work as E-Book should be useful for specialists of fundamentals and practice of Business, Economics, Public Law and International Relations.

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My Half-Century Sincere Love and Interests to American Studies on Economic Wonderworks and Goodness

I was born in the era of atheistic communism, but on Christmas Day and always felt the power of God. Consequently, I secretly prayed in my heart and also secretly listened to the Voice of America on Radio. Naturally, many sincere believers lived in the era of the communist system, but this system was the most cruel in world history. My family (in time of politician grandfather) remembers the cruelty of 1937 (the well-known film "Repentance" was filmed in our old house), when 3 incompetent embittered people could arrange the repression of almost anyone (even the fascists did not have such methods) - from the ordinary citizen to the royal dynasty. This went on and on. I remember how my mother, who was a culture doer, showered money on the stairs of a provocateur who offered bribes, but even so she were without work for many years. Even I was criticized in my school years. One high-ranking "official" made a very strict remarks to my "unrealistic" (in his opinion) thoughts when I tried to see humane actions in the youth organization and used quotes on freedom and independence.

In the Second World War, America, with the anti-fascist coalition, helped to the USSR, which, despite its huge army and brutal treatment of soldiers, had far more damage than fascist Germany.

From school years, I started economic-math-graphical comparisons and became convinced of the merits of the American way of life. I became the first member of the New York Academy of Political Sciences in the post-Soviet area and have thoroughly studied the practice of free economic zones and after this I am very glad that I met with excellent scientists of American Studies in Georgia - V. Kacharava and E. Medzmariashvili.

I should especially mention (with sincere love of America) the professionals of the ODC (J. Sappia, D. Fetherlin, S. Powell, K. Reber, etc.) - American "The Open Door Center" works in

Georgia only several years and already received the truly deserved love among of wishers of American studies for the open - warm and quality teaching in Georgia. The Center staffed by American citizens, who are in cooperation with their families in the Georgian state and private universities and distinguished with the greatest love to Georgians and our culture. Here specialists read lectures about American life and with the knowledge of the English language, Georgians receive unique knowledge about American statehood and effective economic organization, which are especially needed for difficult processes of the construction of economic independence in the conditions of globalization.

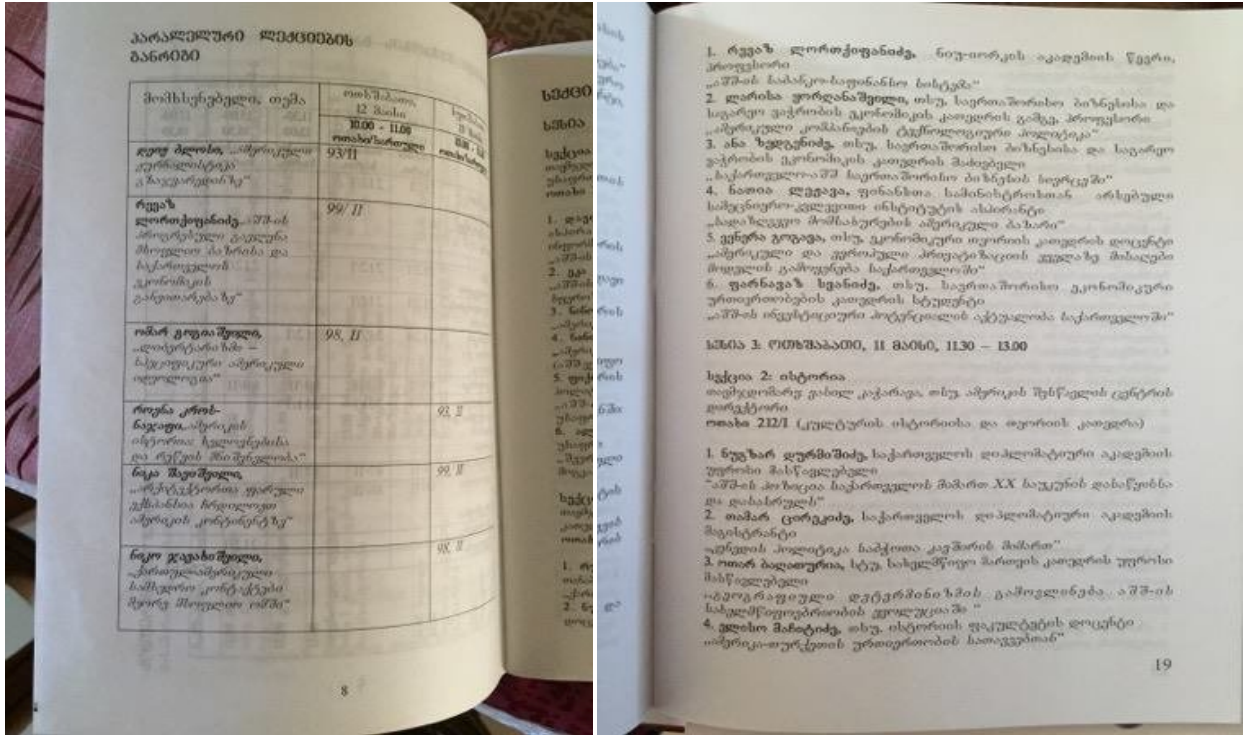
By data from International Monetary Fund [1], in the US, we see the necessary sharp increase in industrial production and exports of goods, which is very good and this should be the strategic goal for any country. It is very difficult to develop science and industry, but it is very necessary for employment and progress. Some countries focus on the non-real sectors of the economy, which in the beginning gives income, but then we see sharp declines. Thanks to America for a good example and clarity, that a wise economic reform can give significant results.

I think, The US Banking-Financial-Reserve System is Effective and does not use violent methods. Taxes and Bank interests in America are minimal and favorable for economic growth. They are used in the place with reasonable regulation on the part of the state. Any system has lacks, but the example the US in this plan is special and has the right on general praise.

The economic reforms in The USA make rarely good tax and investment conditions for American People and other big and small countries also. We see, that without The USA and other progressive international forces, the small countries cannot win in difficult war against problems of integration, different dependent competition, stagnation of poor economy, health, insurance, etc.

After some economic slowdowns, I am very happy, that America, thanks to Donald Trump economic reforms, has once again become strong. I want to present the main thoughts of my 9 scientific papers on the international conferences of American Studies and my follow-up studies

[2-11], which show my theoretical platform for urgent practice for the UN and in international economic relations:



The computers and machines of The USA and UK are significant base of creation of World market. They stimulate (with Internet) and will stimulate economic development and living level in Europe and all Nations. Without Global Internet Control, some hellish tyrant kings of empires and small countries, provocateur state dictators and their servile business had big incomes, but they did not want to see easy problems of people. We hope, that Great American International Companies (Microsoft Corporation, IBM, Boeing, General Motors and Ford Motor...) will be partners of young Georgian business.

From elementary economic textbooks, we find out, that a business may be privately owned is three different forms. These forms are the sole proprietorship, the partnership and the corporation. For example, more than 80 per cent of all businesses in the United States are sole proprietorships. Individual business solves the most complicated problem of employment. But it is evident that sole proprietorships do not do the greatest volume of business. They account for

only 16 per cent of all business receipts, for example, in America. First of all, the sole proprietorship is service industries such as small comfortable preventive agro-industrial workshops, different repair shops, beauty shops, restaurants, laundromats. The sole proprietorship is the most common in many western countries also. The modern economic policy in developing countries should base on creation of such favorable conditions for small business.

We remember, that during Reagan's board in the White House, the maximal surtax with 70 was reduced up to a 28-percent level. However, as the author concludes, time has confirmed, that Reagan's genially noble radical reform has a little outstripped the future.

With American examples of economic laws, I developed EU formulation for stimulation of effective structural changes in practice of economical reforms: $E = \sum [(E_{io} + E_{it})/2] \Delta_{ai}; i=1;2;\dots;n$ E – Effectiveness of ecostructural changes in t time; E_{io} – Effectiveness of i element of structure for start of t time; E_{it} – Effectiveness of i element of structure for finish of t time; Δ_{ai} – percent change (:100) of i element of used resource's structure in t time; $i=1;2;\dots;n$ – element of structure (branch, region or age group of technique, etc). This formulation has interesting interpretations in conditions of crisis and if $E \geq 0$. For stimulation of Reforms' marginal efficiency, author of my "Law of Competition" defines The Force of economic competition approximately as The Force of electrical current. The less (until a certain level) are output of monopoly and excess (bad-quality or needless) production, the more is the force of competition. $I_0 = U/R_0$ and $I_1 = U/R_1$ $K = N \times I_0 \times I_1$ Number of firms – N; The forces of economic competition – I_0 and I_1 ; Total production - U; Non-realized production – R_0 ; Output of the largest firm (maybe monopoly) – R_1 .

After research of American Economy, I worked out my theory of "Objective equilibrium realism", brings idea of a "Line of the God" in model of equilibrium balance, notices paradox of the prices (which can be caused only by will of the God: also by analogy of the physics theory of growth of weight at the big speeds), offers optimization of taxes (near 50-percent level).

Since the Great Depression (30s of the 20th century), the debate between the neoclassical supporters of the "Invisible Hand" of Adam Smith's competition and the supporters of Keynesian regulation has become more acute. Some of them disclaimed the "invisible hand" in general and the new American neoclassical synthesis came as an intermediary. My goal - not a criticism of Smith - author of this report think Smith was a genius for his era, but, naturally, with human errors. My goal is to remove the established understanding from the time of Smith and to the present method of Herfindahl-Hirschman (from times before of the very significant current economic reform. I guess, that current reform will change this situation and will use my method also) that a large number of competitors determine the perfectness of competition. With such an imperfect method, we can erroneously divide the effective local big business or prevent the merger of business in a decent way, violate the presumption of innocence of the local entrepreneurs and create favorable conditions for secret collusions of external dishonest "businesslike" activities. Based on these calculations, author recommends the delegation of such management functions in the lowland, as the far organization of management offices, business plans, financial analysis, marketing research and a provision of a technology to the high-mountain network. My report is against those, who thinks for destroying and dividing into parts of effective big business and grate progressive countries. They must understand, that the problem is not in a size of business and country, but in the sincerity and practicability. We don't need the market of numerous only monotonous "ants" - we need a diverse protected market, like the seasons and parts of the day and night alternate each other.

I think, that the US Progressive Influence for the Development of the World Market and the Georgian Economy is historical. In my opinion, the technique-technology development is the basis of the production generalization. The machine industrial revolution and the discovery of the America made the fragments of a world market. The USA Internet concludes this significant process. I want to mark especially - the historical merit of The United States of America in the common progress are: 1) the true for the ideas of the freedom and democracy, the very active participation in the creation of the UN and anti-terror coalition; 2) the achievement of the high living standards through monetary free market model; 3) the financial

– intellectual supports of the poor developing countries. The contemporaneous anticorruption reforms in the Georgia economy and their precise engaging methods are necessary for the reinforcement American state and private investments. I guess, that God solves finally all questions of economic development. Globalization is inevitable result of scientific-technical progress, but it does not mean, that the small countries will lose originality. On the contrary. We have to use globalization for economic prosperity of developing countries. Undoubtedly, the United States of America helps to essentially reforming modern Georgia and all World in this fantastically hard deed.

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