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MORAL NORMS OF THE ECONOMIC COMPETITIVE

Abstract: *In this article some aspects of the definition of moral norms in economic competitive are considered. The economic ethics pays great attention to the study of the categories of "honesty", "integrity" and "morality" in the conduct of competitive struggle in the business, between producers and consumers.*

Key words: *competitive, competitive struggle, morality, economic ethics, integrity, ethics of businessman.*

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Institute of competitive between people is manifested in various fields and has a completely different character – "civilized" and "uncivilized" that for economic relations is considered as "fair" and "unfair". If we analyze the competitive in the labor, in the sphere of production, when people are already busy creating material goods or services, and competitive in the field of selling of goods or services the characteristics of such processes of the competitive can have a completely different meaning.

In business, as in any game, the contestants have a choice of building relationships – respect, which may be accompanied by supporting economic strategy to more traditional fights when opponents seek to destroy. In real life competitors can support each other in difficult times and plant the explosives in the car of a competitor. And just as in any game, one goal – to win.

The main requirement of the market process – a clash of economic interests of economic entities – should not lead to the application of methods of competitive, are commonly combined in the concept of "unfair competition". Effective protection against unfair competitive is the basis for the functioning of the market economy.

But when the struggle on a number of circumstances between the actors becomes a struggle without rules then society begins to worry. The presence of preconditions and causes of the existence and spread of unfair competitive shall entail the necessity of state intervention for the purpose of it's weakening and neutralization, as well as creating the conditions for "fair" competitive through the

application of measures of economic and non-economic nature that have an indirect impact on overcoming unfair competitive.

At the same time, in the definition of "unfair competitive" refers to the requirements of fairness, reasonableness and fairness. The use of such criteria for evaluating the integrity of competitive is connected with the principle of "good conscience", which traces its origins to the Roman formula "bona fides".

But the actions that contradict the requirements of integrity are impossible to determine without a definition of "good", more familiar when using the word "kind", but it is well known that one side may be good for others to provide a great evil. The concept of fair competitive is directly related to economic justice, moral criteria and values.

It is important to consider that the existing concept of "integrity" and "fairness" is not that other, as a reflection of moral and ethical principles of society, which can sharply differ from each other not only in different times in different countries, but also within one country, for example, among the representatives of different religions.

Links to business practices, integrity, intelligence and fairness in the definition of "unfair competitive" link the actions of the entity only with the ethics of entrepreneurship. Therefore, it is important to figure out whether there is a possibility to combine moral motives and decision making in business. What is more important for the entrepreneur when making decisions of an entrepreneur – moral motives, which do not ensure a profit or profit when making immoral decisions.

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The main thing you should pay attention that any other competitive, not only unfair, but even that which is by definition "fair" is inherently intended to limit the dominance of other economic entities on the market achieving the highest results in profit. Any activity of the entrepreneur, aimed at making a profit, is aimed at reducing the profits of other businesses, because the behavior of economic entities – the struggle for money of the consumer and, therefore, causing competitors some damage.

If fair competitive is able to destroy your opponent, it will inevitably cause a reaction leading to the appropriate response for a competitor, leading to the result – the destruction of the initiator of the struggle. It is hard to imagine the war if both sides knew the end of it. It is this war and appears modern market competitive.

Ethics is the study about the moral and reasonable enjoyment of freedom. Freedom is a key precondition for independence. In a totalitarian society the person have no a choice. It is freedom that assumes that people voluntarily make the choice consciously to limit, where appropriate.

In fact, the process of market sales is always a compromise between the seller and the buyer. Market economy, among other things, a unique mechanism that allows competitive to transform personal and selfish interest of a person in a public good.

There are certain moral standards that allows you to find these compromises. Here are some of them [9]:

1) The concept of "service to society", which is due to intra-firm policy commitment of all employees from the president to employees. To serve customers in exchange for a reasonable fee – that's a cornerstone of their worldview. "The prosperity of the manufacturer," wrote Henry Ford, - depends ultimately... from the benefits that it brings to people." [9]

2) As paradoxically, the contempt of money. Money is for the entrepreneur not the goal but rather the means used to achieve this goal. Money is in constant motion, in circulation. The case, currently, entirely thrilling, is the main riches of a businessman. The lack of the cult of money making entrepreneur relaxed, gives him the ability to take reasonable risk.

3) Logically follow from the previous the constant dissatisfaction reached, not fading with the years a healthy of sense of ambition. Business is not only the result but also the process. The businessman, like the writer, it always seems that the Ledger before him. This constant drive for success, the pursuit of increasingly complex and challenging tasks – a kind of "calling card" of Western businessman.

4) Sincerity, honesty, openness. The honesty of the entrepreneur is an immutable attribute of the style business relationships in the West, for the slightest

"stain" on the reputation of the businessman can lead to serious financial losses, and often bankruptcy. In the conditions of developed competitive to be honest profitable.

On guard for fair competitive is not only the state but also by the numerous associations of entrepreneurs by trades–unions, guilds, associations, authorized to regulate the activities of its members in the interests of consumers to ensure fair, equitable and ethically healthy business practices. In addition, these associations there is a professional code of honor, describing a number of actions that are recognized by its members as unethical.

5) Pride in your business, regardless of scope and scale. Any business that serves the needs of buyers and income, prestigious. The basis of this approach are high professionalism, confidence in their own ability.

6) This is the principle that success in business should not be achieved at the expense of environmental destruction.

7) The principle "of profit distribution should involve all those who participated in its creation".

Economic ethics acts as the normative basis of economic activity, regulating relations in the sphere of economy, formulating and instituting of moral requirements for all subjects of economic relations. Its main objective is the identification of institutional (framework) limits of participants in the economic process, which play a fundamental role in moralization of market relations in modern society. Unlike individual ethics she turned to the society, sets the guidelines and justifies moral principles of functioning of the economy and in this sense is a programme of the economic order.

In the broad sense of economic ethics is to explain the relationship of economics with morality, the specifics of their relationship. It is well known that the development of production, economic activity objectively contribute to the moral improvement of man. It has long been thought that in the labour force is formed creative power of man, the moral basis of his relationship to the world, to other people. Hard work and honesty were the two main ethical norms, which always accompanied the activities of production and trade and the redistribution of wealth. Without hard work, honesty, integrity, concern for man material production could not exist. At the same time, the development of production, the increasing complexity and scale of human activity, raising the level of engineering and technology has put human need before a full understanding of responsibility, understanding of public duty, of solidarity. A lot depends on the actual economic policy of the state, its regulatory role in the sphere of economic relations. They say: "A healthy economy – healthy habits".

All this self-evident truth. The problem goes to another plane when it comes to modern society of

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"free" market relations based on a play of interests, competitive, orientation on profits. This raises the question: what is the relationship between morality in modern economic production, how applicable is the concept of morality to the situation of the market economy in general, modern market, in particular?

The answer to this question can be found already in the writings of the Scottish economist, philosopher and ethics of the XVIII century, one of the founders of modern economic theory, Adam Smith [8]. In its economic model scientist could distinguish two levels of public economic activities: a) activity as it is; b) conditions of activity. In the activity of the enterprise (firm) includes: goals (motives, interests) and means (purchase, sale, advertising, wages, public, political objectives, etc.). To conditions of activity A. Smith attributed: natural, cultural, social conditions, and the "framework conditions" (the constitutional order, laws, economic order, market conditions, competitive rules, market situation, tax law, management).

This differentiation of activity and its conditions allows, according to A. Smith, synchronous implement competitive and morality. The competitive is carried out in the course of business, morality (solidarity, honesty) incorporated in the activity. Morality in the marketplace is protected from competitive so that competitors must abide by the same rules of the game defined by including the "framework conditions". In addition, market competitive, at first, possible only on the basis of consensus; at second, it serves the interests of the consumer (to produce the best products) that, in turn, depends on economic factors – interest of market participants in its activity.

Thus, the basic principles of the economic ethics have been incorporated in economic theory of A. Smith, as a result of the concepts of "activity" and "business environment". A detailed justification of these principles were described in the writings of modern Western scientists and practitioners, in particular, in the work of the German scientist Karl Homann who is rightly considered the founder of modern economic ethics [10]. In his research, the scientist tried to combine liberal economic theory,

highlighting the rationale of the economic interest, with the ideas of social market economy, is very popular today in many countries of Western Europe, which form the basis of Christian social teaching.

The main feature of the concept of K. Homann is the development and mainstreaming of the principle of competitive, which is decisive for his entire ethical theory. This principle is subjected to sharp criticism in traditional ethics, Homann felt reasonably consonant with pluralism and democratic procedures in the policy. Referring to the contradiction between the moral consciousness of the entrepreneur and the internal logic of entrepreneurship (how to get profit and to save face), located in the centre of the debate on business ethics, scientist have warned against extremes in this matter. First of all, morality, in his view, should not hinder of the development of the economy. The justice of this provision is not in doubt. Society must remember that excessive moralizing not only avenges defeat in the competitive, but can become a serious obstacle to the development of entrepreneurial activity, erecting barriers to the natural inclination of people to the benefits and leading society to a self-righteous denial of all wealth (as it was in the recent past in the former USSR). Homann rights in that should not build the market only on the basis of development in man is individualistic, selfish motives, leaving aside questions of morality. The solution to this dilemma can be simplified, if the entrepreneur will be free to do business, will focus on professional activities, observing the rules of fair play and following prescribed here laws and regulations, and ethical effort will be made at the stage of formation of these norms, establish a framework of order in the economy at the institutional level. This will not only help to make the economy more "moral", but also to ensure its effectiveness.

Thus, the development of the economic sector, economic competitive, business can not rely on the fundamental categories of morality and ethics. Moral responsibility of modern businessman can lead to the development of fair competitive and saturation of the market with high quality products that meet consumer demand.

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