

THE ECONOMIC POTENTIAL OF THE CRISIS

(CONCEPTUAL APPROACH)

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Abstract

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It is critical to take into account a country's anti-crisis capacity, taking into account the circumstances of its construction and application, as the technical structure of society and the existing concept of capitalist economic development cannot handle the current problems of the 21 century. Considering the adaptability of public administration, the technological capabilities of social production, as well as the human capacity to make complex decisions on the more effective combination of resources in light of the radical changes in the conditions that lead to the formation and attraction of anti-crisis potential, it is necessary to clarify this potential's essence.

The system's ability to adjust to crisis situations and continue the trend of economic growth is provided by the development potential. The impact of crisis phenomena is affected by the anti-crisis potential (as an additional factor), which aids in overcoming the detrimental effect that has resulted in a severe fall in economic growth.

The ability to attract additional resources during a crisis is a key aspect of the "crisis potential" concept, with the degree of adaptability of public administration, the technical capacity of social production, and the capacity of labor to make difficult decisions in the face of uncertainty all playing key roles. Anti-crisis potential is an opportunity that, via anti-crisis management, is transformed into a powerful tool for thwarting the occurrence of crises.

The 2020 worldwide financial crisis, which was brought on by the coronavirus SARS-CoV-2, results in a considerable decline in GDP per capita in countries with robust economies (the USA, Austria, Germany, France, and Spain). In the meantime, several nations (such as China and Israel) have experienced further sustainable development while maintaining their current economic conditions. This pattern results from the fact that for some systems, the crisis not only poses a threat but also presents chances for the creation of novel resource combinations, which have a large economic impact and spur continued development. We can observe many trajectories if we study the responses of nations to and recovery from global crises. The phrase "economic potential of the global crisis" has been introduced because it has been demonstrated that several nations in the globe are strengthening their economies after economic crises. The likelihood of significant regional economic growth, the ability of the national economy to accomplish a strategic objective by utilizing shifts in the global market, and shifting places on the global stage are all examples of the economic potential of the crisis.

Keywords: regional development potential, economic crisis, GDP, anti-crisis potential.

Introduction

Deep transformations that have been dynamically taking place in the global environment since the beginning of the 21st century are forming new realities of economic existence and objectively determine the urgent need for a radical theoretical rethinking of traditional scientific paradigms of economic processes. Thankfully, governments and financial authorities all across the world have reacted swiftly and strongly to weather the storm. They have offered numerous rescue strategies to support financial institutions, recapitalize them, and aid in the resurgence of the credit markets. recognizing that there is a "confidence, capital, and credit crisis, It is critical that the economic community considers the distinctive features of the current global crisis, its potential repercussions, and lessons from previous significant recessions in light of the impending G-20 Summit. What follows is an ambitious proposal for resources that could build the foundations for a more inclusive growth, particularly in poor nations, in light of the very genuine threat of deflation.

A. Formulation of the problem. The existing economic concept of human existence has led to challenges that cannot be solved within the framework of the existing capitalist concept of the development of the economic system. The era of mass production and market economy has given rise to a large number of entrepreneurs and owners of capital who seek to defend their own interests without taking into account the interests of society as a whole ***As a result, the following main question arose: Are there any challenges facing the regime due to the economic crisis?***

As a result, the ecological catastrophe that humanity faced in the twenty-first century is getting closer. This issue is made worse by the world's ongoing population growth, which necessitates new paradigms for socioeconomic development of society under the threat of wiping out mankind as a species.

Taking into account the challenges of the 21st century, every country in the world develops development strategies, analyzes, forecasts and forms the potential for sustainable development and anti-crisis potential. In the scientific literature, there is no single approach to the definition of the concept of "potential", in addition, more attention is paid to the study of the potential of enterprises. On the one hand, the essence of the concept is preserved regardless of the object of management, on the other -add optional characteristics of the concept of "regional potential" appear.

Analysis of recent research and publications. In 1986, the scientists N. T. I gnatenko and V. N. Rudenko conducted an analysis and classification of the definitions of the term "potential" found in the scientific literature. They established that in 42% of cases the semantic meaning of the term "potential" is associated with a set of natural conditions and resources (wealth), opportunities, stocks, funds, values; in 18% - with production capacity, funds, wealth, resources of the country (region); in 16% - with resource, economic, natural opportunities; in 8% - with the ability of productive forces to achieve a certain effect [1].Analysis of modern literature shows that the situation has changed, and most authors are of the opinion that

potential is the possibility and ability of the system to achieve the set goal. This is quite natural, since previously the main source of increasing the potential of the system was the attraction of new resources, now, in conditions of limited resources, the focus of attention has been shifted to a more effective and intensive use of them using.

Thus, A. N. Azryliyan understands potential as a set of available means, opportunities in a separate field [2]. This interpretation is of a general nature, but there is an indication of linking the potential to a certain sphere of activity of the object. V. M. Arkhangelskyi defines the concept of "potential" as means, reserves, and resources that are available and can be mobilized to achieve a certain goal [3]. In this definition, attention is focused on the presence of resources that are not used at the moment, but can be involved to achieve a better result in view of the established goal. O. Fedonin, I. Repina and O. Oleksyuk [4, p. 6–8] also emphasize the relevance of the identified potential of the involved resources to the given task. Authors K. Misko, B. Pohrishchuk [5] define potential as "the ability of the system", which emphasizes the determining role of the human factor in the emergence of the potential of a certain object as a phenomenon. The term "potential", in addition to material and non-material means, includes the ability of an employee, team, enterprise, society as a whole to effectively use available means or resources [6].

The resource approach violates the cause-and-effect relationship between phenomena, since resources do not form the goal of production, but, on the contrary, the goal of system functioning determines a certain system of resources aimed at its achievement [7]. Information resources began to have a significant impact on the development of the regional economy. Conducted econometric studies of global indices (IST, Doing Business, Global Competitiveness Index) testify to the different intensity of the influence of information and communication development in certain groups of countries (defined by the level of IST) on their economic level [8].

Research Objectives:

It aims to study the characteristics of the impact of the concepts of "development potential" and "the potential for confronting crises in regions" in the circumstances of new challenges. And identifying the difference in the essence of the concepts of "development potential", "the possibility of confronting the crisis" and "the economic potential of the crisis".

Research hypotheses : The main hypothesis: There is a relationship of significant significance to the possibility of facing the economic crisis.

The purpose of the research: to determine the essence and special characteristics of the concepts "development potential" and "anti-crisis potential of regions" in the conditions of new challenges of the 21st century.

To achieve the goal, the following tasks are set:

- to analyze different approaches to defining the concept of "potential" and "anti-crisis potential";
- establish the difference in the essence of the concepts "development potential", "anti-crisis potential", "economic potential of the crisis";

- consider empirical evidence of the existence of the economic potential of global crises.

Presenting main material. In order to solve the modern tasks of the development of society, it is proposed to consider "potential" as an opportunity to obtain the maximum result from the use of the set of available and engaged resources within the framework of an adaptive management system to achieve the set tasks.

The essence of the concept of "potential" has the following characteristic features:

- considered from the perspective of a certain object;
- can be evaluated within the framework of the set goals and objectives;
- includes available resources and resources that can be involved;
- limited by the achievements of scientific and technical progress, financial opportunities, environmental restrictions and human abilities to create an effective combination of a set of resources.

Thus, in the scientific literature, three approaches to defining the concept of potential are distinguished: the "resource" approach, consideration of potential as a set of "opportunities" and as a set of "abilities". From the point of view of these approaches, the "potential of the region" is considered as:

- a set of resources involved in the industrial and economic complex, the service sector and the social sector to ensure a decent state and development of the region;
- a set of "possibilities" of using and increasing the available material and technical, financial, human and informational resources, their more effective combination in order to achieve the strategic goals of the region's development;
- a set of "abilities" of the human resource to identify, attract and optimally combine the resources of the region to achieve the goals of its strategic development. This reinforces the primary importance of the role of human capital. It is based on the statement of K. Marx that the means of labor, objects of labor and labor as factors of production and elements of the creation of a new product are opportunities that emphasize their potential character. To transform such an opportunity, "they must unite" [9] and it is labor power that can combine means and objects of labor.

T. M. Lozynska defines the "potential of territories" as a set of parameters that determine the presence of certain opportunities, abilities and resources in the system for their implementation of certain efforts aimed at self-sufficiency and self-regeneration, as well as for the transformation of conditions and characteristics of the environment [10].

Literature Review

This definition indicates the possibility of the territory's potential to influence the external environment. It is proposed to consider the "development potential of the region" from the perspective of sustainable development and overcoming the negative impact of the surrounding environment, including negative consequences that lead to the emergence of crisis phenomena. During the strategic planning of the development of the region, the risks of economic crises must be predicted and the "crisis overcoming potential" or "anti-crisis potential" must be formed. Thus, the "potential to overcome the crisis" can be considered as a

part of the "development potential of the region". The morphological analysis of the concept of "anti-crisis potential" is given in Table1.

Table No. 1 Morphological analysis of the concept of "anti-crisis potential"

Author	Definition	Characteristic feature
E. I. Boyko	anti-crisis potential of the industrial sector of the economy the ability and opportunity to overcome the economic crisis through application of state and non-state forms and mechanisms regulation of processes of circulation of industrial products, capitals and factors of production	the tool for overcoming the crisis is public administration
N. Zarubeeva	the ability to face crises by using existing ones opportunities	potential opportunities are not considered
O. Belozertsev	aggregate potential capabilities of the enterprise to counteract the crisis ,which arise from the use of existing and involved resources of the enterprise in the process of implementing anti-crisis measures in the conditions of a dynamic external environment	development potential and anti-crisis potential are distinguished potential
O. Moroz, I. Schwartz	the ability of the production economic system to resist real and potential crisis phenomena in functioning ,while maintaining the trend towards sustainable development	the goal is determined - sustainable development

It is suggested to define the "development potential of the region" in terms of the sixth and seventh technological orders as the capacity of societies in particular territories to develop metacognitive technologies that will boost resource efficiency and the capacity of societies to quickly adopt digital technologies. The ability to attract additional resources during a crisis, the degree of adaptability of the public administration system, the technical capabilities of public production, as well as the capacity of labor resources to make complex decisions under uncertain circumstances are all characteristics of the concept of "anti-crisis potential."

Thus, O. Lozova defines the anti-crisis potential as the ability of the system to detect and resist the crisis in time [11], that is, the adaptability of the management system and the ability of labor resources play a decisive role. This definition emphasizes the importance of analyzing and forecasting the possibility of crisis phenomena in the formation of anti-crisis potential. A. Podgorodna, S. Grudina consider the anti-crisis potential as the ability of the organization to adapt or the ability to predict the reaction to the random effects of economic factors, when even dangerous incidents turn into opportunities. In this definition, there is an opinion that crisis phenomena have a negative impact on business entities and society as a whole, but for some entities, it provides additional opportunities, which is accompanied by a sharp growth rate.

Table No.2 Comparison of the characteristics of the concepts "development potential" and "anti-crisis potential"

Characteristic signs	Development potential	Anti-crisis potential
Appointment	Ensuring economic growth	Overcoming the consequences of the crisis
Features of formation	Possibilities are foreseen in strategic planning	Possibilities are foreseen in strategic planning
Storage	Available resources and resources that are planned to be attracted additionally for sustainable development	Available and additionally involved resources aimed at overcoming the crisis
Period of occurrence	The period under analysis	Emergence of crisis phenomena

Thus, the interpretation of the concept of "anti-crisis potential" by various authors is united by the following common essential features: the presence of potential opportunities and the system's ability to resist crisis phenomena or adapt to them. The potential opportunities of the anti-crisis potential are formed by transforming and optimizing the existing potential and attracting additional resources to overcome the negative consequences of the crisis. The difference between the concepts of "development potential", "anti-crisis potential", "economic potential of the crisis" is schematically shown in Fig. 1.

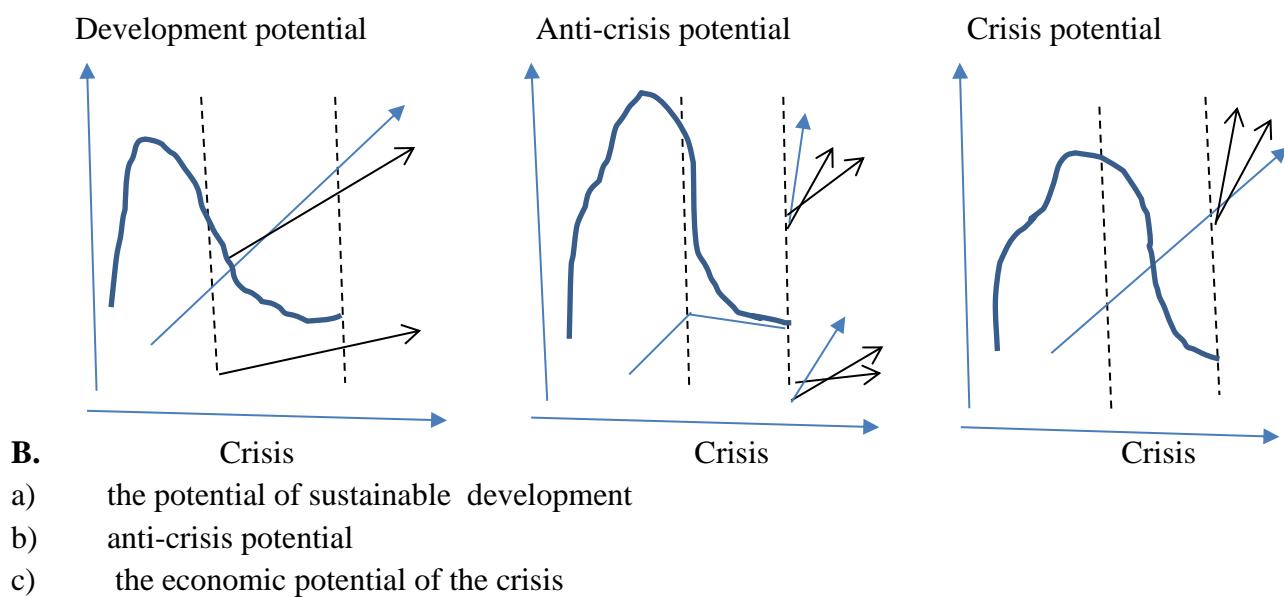


Fig. 1. The difference in the essence of the concepts "development potential", "anti-crisis potential", "economic potential of the crisis"

As can be seen from fig. 1, development potential (available potential) and anti-crisis potential of the region are not identical concepts. They reflect the possibilities of using a set of resources of available quantity and quality, the implementation of which takes place in different conditions, and therefore the goals are different, in the first case - the development of regions, in the second - resistance and survival in crisis conditions. To put it another way, the anti-crisis potential refers to the possibilities that, through anti-crisis management, are turned into a powerful tool for thwarting the occurrence of crises. The system's ability to adjust to crisis situations and maintain the trend of economic growth is ensured by its development potential.

The increased anti-crisis potential is implicated in the impact of the crisis phenomenon and aids in overcoming the detrimental effects that contributed to a steep decline in economic growth indicators. The anti-crisis potential of the system (microregion, country, region, direction of economic activity, enterprise) does not appear automatically, its formation is possible only with an established system of strategic modeling and planning. The purpose of the anti-crisis potential is to attract additional opportunities to use existing and potential resources to prevent critical impact crisis phenomena or overcoming the consequences of crises by transforming and optimizing existing components potential and adaptation of the management system to the negative impact of the external environment.

If you follow the trends of countries' response to global crisis phenomena and exit from the crisis, you can see different trajectories. The change in the global indicator of economic development (GDP per capita at consumption parity) during 2000–2020 is presented in Fig. 2.

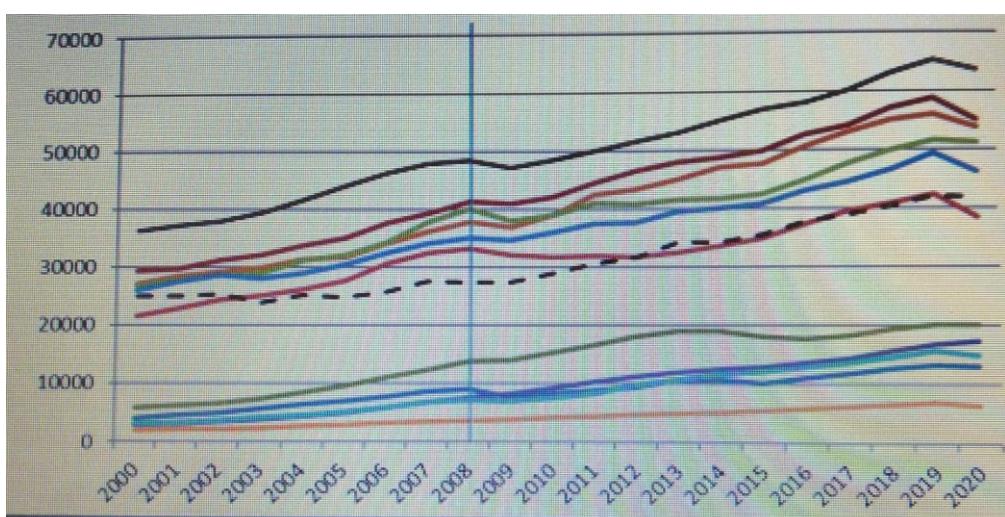


Fig. 2. Dynamics of GDP per capita according to parity of consumption ability

As can be seen in fig. 2, The 2020 worldwide financial crisis, which was brought on by the SARS-CoV-2 coronavirus, results in a considerable decline in GDP per capita in countries with robust economies (the USA, Austria, Germany, France, and Spain).

It should be noted that the economies of France, Austria, and Germany reacted to the global economic crisis of 2008–2009 with a smaller recession and quick overcoming of the acute phase of the crisis. This indicates that the effectiveness of the country's economic growth potential and anti-crisis potential is not a constant value and changes depending on the conditions of their involvement and use.

Meanwhile, in other nations (such as China and Israel), the economic situation has improved further through sustainable development. This propensity is related to the fact that for some systems, a crisis not only presents hazards, but also presents chances for the creation of novel resource combinations, which has a large economic impact and promotes continued development.

As a result of the global economic crisis, there is a global decline in the economies of countries, changes in the world market situation, and the competitiveness of states, which provides opportunities for some countries to improve their positions in the international arena. In this regard, it is proposed to introduce the concept of "economic potential of the crisis". The prospect of significant regional economic growth and the capacity of the national economy to guarantee the accomplishment of a strategic objective by utilizing changes in the state of the worldwide market are two examples of the economic potential of the crisis, changes in the position of the countries of the world on the international arena.

Conclusions.

Thus, the application of the anti-crisis management system allows to predict, warn and overcome crisis phenomena, which ensures the mobilization of resources during a crisis and efficiency their use. In the conditions of the Fourth technological revolution, the potential of the region should be considered not only from the point of view of the resource approach, but also take into account the conditions of their formation, involvement and use in the production process or in the non-production sphere. The transition of society to a new technological system is accompanied by global crises. However, the countries of the world react in different ways to the negative factors of the external environment, which indicates different approaches to the formation and attraction of the existing potential, the development potential of the territory, anti-crisis potential. Against the general background of falling global growth indicators, economic crises provide additional conditions for growth for some countries of the world, which proves the presence of different scope and effectiveness of using the economic potential of the crisis.

The continuous rise in oil prices led to an increase in the prices of service and essential commodities, which negatively affected the general economy and led to a state of economic recession. the decrease in wages and the lack of a natural balance between prices and wages exacerbated the crisis. Excessive spending by the United States of America on useless wars has led to dire economic problems.

Therefore, the proposed solutions to get out of the economic crisis are?

- 1- Enhancing the role of the national private sector in economic activity.
- 2- Supporting and localizing the national industry to rely on the local product.
- 3- Announcing a program for private sector participation in state-owned assets.

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