

For a New Understanding of the Mixed Perfect Economic System Integrated into the World Market

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Abstract

Humanity often wastes a great deal of time on empty debates, while nature offers the best answers. Naturally, if we compare living conditions in icy waters or in the hellish heat of the desert, it's natural to live better in the temperate climate of the world's finest botanical gardens. The same applies to economics. The work demonstrates all the advantages of both developed capitalism and socialism and proposes a reasonable combination of them based on the approximate conditions of perfect competition, determined by multivariate analysis methods and the objective laws of society and nature.

Keywords

Economics, World Market, Mixed Perfect Economic System

JEL

A10, A11, A12

1. Introduction

The modern world is undergoing profound changes with the hope that the current process of transformation is leading to a significant improvement in living conditions.

These epochal changes have triggered a surge in scientific generalizations on fundamental economic questions, such as which is better—capitalism or socialism (Kumar, 2025; Hayes, 2024; Tuccile, 2022), how the essence of these economic systems is changing and what changes are taking place within these systems themselves (Hayes, 2025; Liberto, 2025; Kenton, 2025; Daugherty, 2024)?

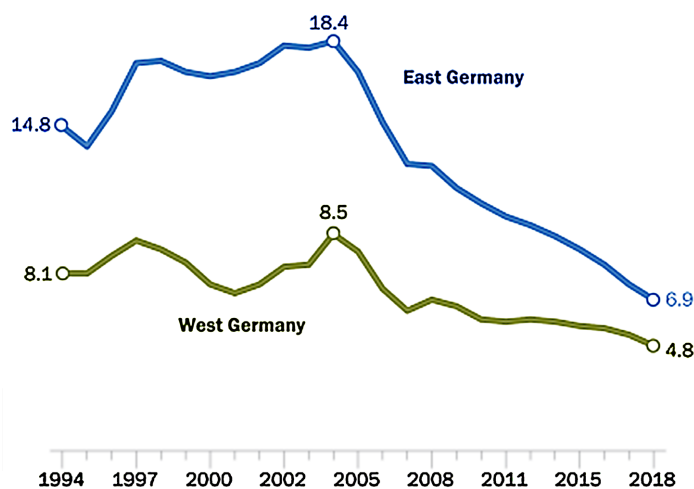
The collapse of the extreme artificial form of socialism by the end of the 20th century gave rise to the hope of scientists that things would go much better and

faster in the global economy, and this process became so interesting and natural that a general theoretical discussion of the economic system was announced (*Theoretical Economics Letters*, 2017).

A unified Germany is a clear statistical example about the benefits of a combined mix of two systems (**Figure 1**). Further in time, much has been said and written about the convergence mix of economic systems, and in this work, we will try to identify what kind of mix should be the most perfect.

Unemployment rate remains higher in former East Germany than in former West, but gap has narrowed

Average annual unemployment rate as a share of civilian labor force



Note: West and East Germany refer to the states comprising the pre-1990 Federal Republic of Germany and former German Democratic Republic, respectively. Berlin included in East Germany.

Source: Bundesministerium für Wirtschaft und Energie, Jahresbericht der Bundesregierung zum Stand der Deutschen Einheit.

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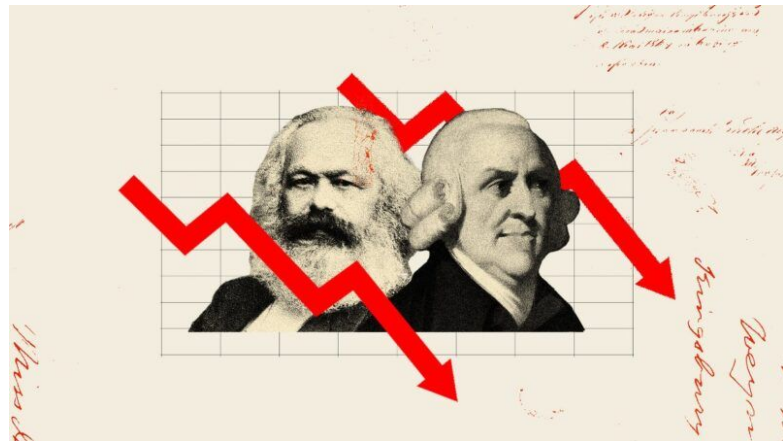
Source: Gramlich (2019).

Figure 1. Comparison for clarity.

2. About the Used Scientific Methods and Proposed Discussion “Which Countries Are Closest to a Perfect Mixed Economy?”

First of all, I must point out that capitalism and socialism should never be consigned to oblivion (**Figure 2**)—if we abandon our roots, we will lose complete control over what is happening.

Adam Smith and Karl Marx, in our opinion, were great scientists of their times and now it is necessary to rethink their great opinions and mistakes as well. Moreover, both economic systems have demonstrated certain advantages and even charms (**Figure 3**), but also disadvantages, especially during the Great Depression of capitalism and the years of mass repression of socialism.



Source: Tuccile (2022).

Figure 2. Declining faith in both capitalism and socialism leaves ... What?



Source: Kumar (2025).

Figure 3. Difference between capitalism vs socialism.

I envision the most perfect mixed economy as a secure global marketplace, freed from various ambitious dictatorships and hidden monopolies. This is possible and can be assessed using various scientific physics-math-economical methods described in the work on perfect competition (Lordkipanidze, 2024) and determined by various empirical indicators of free competition in the marketplace (ibid). I did a thorough review and used these theoretical multifactorial methods to evaluate the basis of the new most perfect mixed economy—the perfect competition with the required balance, using the example of the structure of the atom, and the countries that are trying to combine the best aspects of both capitalism and socialism have shown the maximum proximity to a perfect mixed economy.

I partially share the opinion of “Investopedia” (The Investopedia Team, 2025), but in my opinion, in modern conditions, the most perfect models of mixed economies include the United States, Great Britain, China, Germany, France, Sweden, the Czech Republic, Italy, Spain, India, Japan, Belgium, the Netherlands, Switzerland, Iceland, etc.

According to my theory of real objective equilibrium, just as in the human body there is a necessary equal strength of spiritual and physical basis, so in the economy, the factors of both private self-regulation and state regulation must be used.

3. A Brief Economic History of the Socialist Power of the USSR and the Role of Ronald Reagan in Its End

After the overthrow of the Tsarist dynasty, the so-called socialist Soviet Union began implementing a New Economic Policy. Not only the royal family and noble families were repressed, but even successful, wealthy peasants were also targeted. Forced collectivization was implemented in the countryside and industrialization in the cities. After World War II, major energy facilities were enthusiastically built, but soon their enthusiasm disappeared and outdated production capacity could no longer be restored from a single central rule. The efficiency of fixed capital began to decline.

Artificial socialist competition produced no results, other than drawing almost the entire country into corruption. Ownership of everything meant that no one had any interest in the disposal of specific property.

To maintain economic power, an economic structure was devised in which individual parts lacked economic independence and were all dependent on each other. Even those regions rich in natural resources became insolvent and helpless.

The economic confrontation was exacerbated by the Cold War between the two systems, and if not for American policy led by Ronald Reagan, global devastation would have ensued. R. Reagan found the key to peaceful dialogue with then-Soviet leaders M. Gorbachev and E. Shevardnadze, and by cutting taxes and expanding the manufacturing sector, he set an example for the necessary reforms.

The USSR was only able to hold out for 70 years, and even then, with violent actions, and after the collapse of this enormous empire, its economically resource-rich part—Georgia, for example, ended up in last place in terms of GDP per capita, and conflicts between parts of the USSR continue to this day—for more than 30 years.

4. Theoretical Generalizations about the Irreplaceable Benefits of Capitalism and Some of Its Deformations

Capitalism undoubtedly creates relationships oriented towards the needs of the consumer and the talent of the producer, but the illusion that this will be achieved automatically is the same as assuming that humans are perfect and infallible. Capitalism, without rational protection of the market and the poor, devolves into anarchy, even with a surplus of production.

I think everyone's really tired of figuring out which is better—capitalism or socialism. We don't need any isms—we need a situation as close as possible to an economically viable arrangement of production and service industries in natural conditions.

The current process of mutually beneficial market relations between such large

mixed economies as the United States and China gives hope that internationalization and electronic digital transparency will lead the global market to the necessary changes and natural relationships.

Particularly noteworthy is the well-established health system of balance between private initiative and public monitoring of these 2 significant modern powers and their relationship during the Covid-19 pandemic.

The United States of America is characterized by many virtues, but the developments in its healthcare truly rise to the rank of miracles. This successful country provides a unique example of universal care for people. Here, a significant part of the new type of healthcare facilities is a non-profit organization, that is, the profit does not go into the pockets of private individuals, but is used for the development of the organization. Reasonable healthcare mechanisms lead to a record increase in life expectancy in the country.

I think that the American experience is exemplary, taking into account the following priorities:

- 1) The main part of public hospitals are non-profit organizations;
- 2) The priority attitude to human care has led to the flagship role of the United States in the operationally effective fight against the Covid-19 pandemic;
- 3) Medical education is moderate, it is neither overloaded nor formal;
- 4) The salary of an American doctor is one of the best motivations for the productive work of doctors;
- 5) The number of uninsured people is decreasing and insurance is being provided by the most acute mixed priorities, including serious illnesses, financial problems, age, etc.

As for China, it is combining regulation and self-determination with amazing talent and hard work in the center and regional free economic zones, while privatization and economic reforms are taking place step by step, without any shock methods or extremism.

My calculations showed that despite the fact that the world economy, which, unlike the macroeconomics of various countries, is not subject to regulation, turned out to be the most mature.

This is due to the fact that in many countries misguided economic policies are being pursued, and in the new transparent electronic environment, we must strengthen international structures and take care daily to improve the economic structure of each country.

We need a “tropically ripe” scientific economic structure even in the Nordic countries.

In macroeconomic economic policy, all countries urgently need to change their understanding of perfect competition, support local market priorities and fight together against hidden monopolies.

With the advent of the Internet, science and the economy are developing at an unprecedentedly faster pace and it becomes possible for politicians to agree on a New World Order, the principles of which should be the following:

- 1) Unified World Currency (if the Country wishes, maintaining the national currency as well);
- 2) Unified Security System (without other military groups) against crime;
- 3) Complete Political and Economic Independence of each country within the modern framework of the UN;
- 4) Mutual interest in peaceful existence and the fight against global disasters can unprecedentedly strengthen the spirit of mutual assistance. To this, we need to jointly formulate the ethical standards of the modern community;
- 5) Free primary education in every country;
- 6) Free emergency medical care in every country;
- 7) This order should be beneficial for both small and large countries, and various adventurous criminal forces will not be able to oppress and exploit successful countries and slow down economic growth.

A systemic transformation of the world order is the inevitable future of the coming decades, and I am confident that with the persistence and efforts of scientists, this process will be very successful and the world will live significantly more freely and richly.

5. A Few Words to Conclude

We believe that capitalism is the spiritual foundation of the global economy and we must take care to protect its qualitative freedom, but a person does not exist without a function—a human has a specific mission and we should not wait idly by.

When a crisis is brewing and the economic and demographic situation in mountainous regions enters a long-term decline, one cannot wait long and must use regulatory mechanisms (Lordkipanidze, 2025).

Since the system-convergence process of improvement is directed towards a more and more free world market, it is precisely the improvement of science-intensive marketing research that seems to be a priority for developing recommendations for the best, most free converged world market.

We particularly value the theoretical generalization of the Marketing Mix (Figure 4), which must constantly evolve in the direction of the process of effective



Source: Magezon (2021).

Figure 4. For the permanent improvement of marketing mix.

relations with the consumer, including justified guarantees and their maximum and fast implementation.

The global economy (market) must also become the most natural mix of macro and regional economies, and the law enforcement structures of the United Nations must increasingly effectively protect this market from overt and covert evil monopolies.

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Conflicts of Interest

The author declares no conflicts of interest regarding the publication of this paper.

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