

## Competitiveness Between Meaningfulness And Meaninglessness

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**ABSTRACT:** *Competitiveness is greeted with a big controversy. The least it can be said is that it is not precise enough. Adam Smith and David Ricardo spoke about the cross-national competitiveness. However, they did not use the word competitiveness at all. They created their own concepts. In his masterpiece "On the Principles of Political Economy and Taxation" where he states the basis of his theory of free trade via the law of comparative advantage, and over three hundred pages, Ricardo has not used the word "Competitiveness" at all, not even once. Similarly, Adam Smith had spent several years publishing his famous and leading book "An Inquiry into the Nature and Causes of the Wealth of Nations" where he presents his thinking on absolute advantage without using the word "competitiveness" anywhere. Literature offers us abundant definitions, none of which is good enough to explain many situations that so many literary and empirical works have sought to explain. During the last century, expressions appeared as synonym of competitiveness as "National power" in List's papers. The Japanese ones used "productive national power" by reference to the German school of List. As for the Americans, they opted for Schumpeter's school and used "productive power". All these expressions have been used with aim to designate competitiveness. Other works has preferred to assimilate competitiveness through concepts and notions that they have created as result of their reflections, as it is the case of absolute advantage, comparative advantage and competitive advantage.*

*Is it a good way to try to understand Competitiveness through its definitions? shouldn't we analyze it itself rather than its definitions? Is competitiveness first a concept?*

**KEY WORDS :** Competitiveness, Pre-Smithian logic, Pre-Ricardian logic, National Power - Productive National Power - Productive Power - Rivalry - Comparability - Positive Evolution - Absolute Advantage - Comparative Advantage - Competitive Advantage.

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### I. INTRODUCTION

Being one of the most commonly used concepts in economics, "competitiveness" is not precise enough when it comes to define it, which means that there is no generally accepted definition of competitiveness. When saying "concept", would it be worthwhile to describe "competitiveness" as a concept?

The theoretical backdrop endorses a near-infinity of definitions. The paradox is that apart from dictionary definitions, other proposed definitions are not able to describe a great deal of situations where competitiveness is encountered. Oxford English Dictionary, Cambridge Business English Dictionary and etymology suggest the simplest and most concise definitions which nevertheless have the quality of circumscribing a greater number of situations of competitiveness. In etymology, and hereby a widely common error in the literature, competitiveness did not have the sense of confrontation before the 17<sup>th</sup> century. However, each time modern literature evokes this term it links it with a confrontational connotation, which is far from the meaning of classical Latin. The word from the Latin "competitio" is competition, not competitiveness. Competitiveness is derived from an adjective, not a name; the adjective "competitive", itself derived from the English "competitive". This Latin, not classical, is much more contemporary Latin taken from vulgar Latin that deviated from the true Latin, bringing together Latinized vernacular dialects, gradually transformed into primitive Romance languages.

As we insinuate classical Latin, we have a Latin prefix "com" and a Latin classic word "petere". "Com" in this Latin means "Together / with each other", not "Against each other". "Petere" means "seek", "aim at", "desire". In short, search together. Etymologically, competitiveness / competition had the meaning of "looking together" or "meeting at the same point". "Competere"; it is the highly stylized form of archaic Latin, from

which very few works have survived. Here is the conception, but the contemporary works have produced an acceptance that diverges too much from that of the famous pioneers Robert Torrens and David Ricardo whose only work justify the international exchange with a sense of cooperation and reciprocal maximization of profits. None of these two classic protagonists, not even Adam Smith whose acceptance of competitiveness differs from that of his colleagues and does not justify cross-national exchange, has used the word "competitiveness" nor the adjective "competitive" in their works, thus renouncing the concept of competitiveness implying the comparison between nations, and thus rejecting any ideological comparison. They provide the closest explanations of the Latin meaning and have created their own concepts, absolute advantage and comparative advantage.

In this paper, we will go back in history until 1485 with the enthronement of the new King of England, Henry VII, who followed the logic that seems to be that of Adam Smith, and hereby our disagreement with those who call it pre-Ricardian logic. We will see what expressions were being used to designate competitiveness, such as "national power", "productive power" and "productive national power". Then we will analyze a multitude of definitions given to "competitiveness". Finally, we will come back to this notion, not the definition, of "competitiveness" to answer two main questions: Is it a good way to try to understand a word through its definitions? Or should we analyze it itself rather than its definitions?

## II. TERM BIRTH

"Industrialists use their political connections to King Henry VII in order to achieve subsidies and an export duty on raw wool that will increase the raw material prices for their competitors on the Continent, slowly killing the wool industry elsewhere, e.g. in Florence". Erik S. Reinert, 2005<sup>[i]</sup>

Nowadays, we see that the most industrialized countries of the West base their competitiveness on two main elements : manufacturing production and protection of the local industry. This diptych reminds us of the English characteristic of the protection of the local industry. When it comes to competitiveness notion, we often refer at first to Adam Smith (1723-1790), initiator of cross-national exchange theory, even to David Ricardo (1772-1823), considered as founder of this same theory. We will go a little deeper through history until 1485 with the enthronement of the new King of England, Henry VII, who followed the logic that seems to be that of Adam Smith, before even the birth of international trade theory and even before the commonly use of the term "competitiveness"<sup>(1)</sup>, and hereby our disagreement with Erik Reinert who calls it pre-Ricardian logic.

In the excerpt above, industrial companies took advantage of their connections with Henry VII to protect their industry by increasing prices of raw wool exports for their competitors on the continent. Reinert points out the detail of this way of acting in another paper<sup>[ii]</sup> and refers in this respect to Defoe<sup>[iii]</sup> who is generally regarded as a reliable source in the England history. Henry VII spent his childhood in Burgundy. He witnessed France's wealth, which contrasted strongly with the poverty he found later in England. The prince found that this wealth depended entirely on the importation of the raw wool. When he came to the throne, Henry secretly procured a large number of perfectly skilled foreigners in the textile industry. They educated for Henri his own people. He paid premiums to entrepreneurs, he also increased import duties for textiles and raised export duties on raw wool. As soon as the English production capacity was satisfactory, the export of raw materials for wool has become prohibited.

In this respect, we are interested in emphasizing when the word "competitiveness" has become so important that it is today so much appreciated that national and international policies are being formulated for it. It is not a question of "birth" properly speaking of the word as a term because even in the preceding example where we have described the Henry VII strategy of pre-Smithian logic, competitiveness was not used then to describe the situation. If we want to talk about the pure birth of the term "competitiveness", we will rather have gone back to its etymology<sup>(2)</sup>, but we have very little interest to return on etymology given the discipline in which our present paper falls. However, to talk about birth in its current form (Wziątek-Kubiak 2003<sup>[iv]</sup>), we will find ourselves in the 70s of the twentieth century with competition, or even war, between American and Japanese companies. According to other research sources, the oil crisis and the loss of comparative advantage by some industries in developed countries have attracted attention in this economic category (Lech 2001<sup>[v]</sup>).

Indeed, we have to look for this birth under other synonyms, not dictionary's ones. For example, the Customs Union made at the beginning of the 19th century by the States constituting Germany before its political unification gave birth, according to Abidar (2001) who is quoting List (1814), to a "national power". This notion of "national power" is quite synonymous with competitiveness in List's work. After 1868, Meidji's restoration

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<sup>(1)</sup> We prefer "term" instead of "concept" to refer to competitiveness. We have reserves about competitiveness as a "concept". These reserves are explained in the final axis of this paper (What definition of competitiveness?).

<sup>(2)</sup> We will discuss this point back in the third axis (see "What definition of competitiveness"?).

period, the Japanese used almost the same notion "the national productive power" to designate competitiveness. They opted for the German school of List, while Americans opted for Schumpeter's school. After the Second World War, and after a debate on the technological choices to make for industrialization, Japan finally adopted high-tech capital intensive (Abidar, 2001). For their part, Americans developed the concept of "productive power" and promoted manufacturing production through the application of tariffs favorable to the growth of the nascent industry after War of 1812.

### III. DEFINITIONS

Oxford English Dictionary<sup>[vi]</sup> offers two definitions of competitiveness: (1) To have a strong desire to succeed more than others, (2) To be at the same level or better than others of the same nature.

The first definition links competitiveness to the will and the second to realization. Both make of rivalry the key word (*more / at the same level / better than others*). Some definitions judge usually a company competitiveness compared to its rivals by referring to indicators such as turnover, market share, profitability or otherwise. On the basis of indicators, these definitions run up against limits that make them unsuitable for many cases; the case for example where we seek to compare several companies of the same territory, of the same sector, of the same market, but not of the same size. It is inconceivable that the revenues of a small structure are greater than those of a large structure. It is true that the growth rate as an indicator remedies such a limit, but not in absolute terms as long as growth does not inform about productive profitability. This same profitability, as reliable as it may be, still cannot be a reference for comparison when companies follow different purposes. The Oxford English Dictionary definition is cautiously relevant in conditioning comparison to be of comparable nature (... *of a comparable nature*). In this respect, susceptibility of comparison supposes to consider sufficient and multidimensional criteria.

As for Oxford, etymological<sup>[vii]</sup> definition emphasizes the rival character of competitiveness. Derived from *competitio*, it characterizes what is competitive, what is able to withstand competition with others.

Cambridge Business English Dictionary converges with these definitions but also brings competitiveness<sup>[viii]</sup> closer through competitive advantage<sup>[ix]</sup> notion and makes it, in addition to rivalry, based on positive evolution.

The competitive advantage here refers to (1) the conditions that make a business [or other] more successful than others with which it competes, or (2) a particular thing that makes it more successful. This second definition has the particularity of the possibility of being applied on a company (or other) that is not located in a competition perimeter, as the case of monopoly, or when the geographical perimeter is not the same; here we return to the relevance of the Oxford definition, which emphasizes comparability to judge competitiveness, hence the comparison of a company operating on a local market with another acting on an international market may not be relevant. Let's take the following example for highlighting:

#### Case 1 Comparability and Positive Evolution Based Definition

A company **A'** markets a product on a local market and so does a company **B'** for the same product but on an international market. Comparison with the turnover is not at all the right one; Company **A'** would never catch company **B'**. Let's suppose that this latter realizes at a given period a growth of 10% and that company **A'** records a growth of 5%, but that the growth of company **B'** in the local market of company **A'** is only 1% (10% being its average growth in the international market). To say that company **B'** is better than company **A'** is true, but not in absolute terms. To say the opposite is not so either.

**Premise 1:** Company **B'** is better than Company **A'**.

**Premise 2:** Company **A'** is less competitive than Company **B'**.

**Conclusion:** Company **B'** is more competitive than Company **A'**.

Such a conclusion is simple to refute even though it is based on two true premises; true but incomplete.

The first premise states that Company **B'** is better than Company **A'**, but not if we are referring to the local

#### Competitiveness in Oxford English Dictionary

1. Possession of a strong desire to be more successful than others.
2. The quality of being as good as or better than others of a comparable nature.

#### Etymological definition

Competitiveness is derived from competition, coming from the English competition, itself coming from the Latin *competitio*, rivalry, competition, competition, rival candidacy.

#### Cambridge Business English Dictionary Competitiveness

The ability of people to compete successfully.

#### Competitive advantage

The conditions that make a business more successful than the businesses it is competing with, or a particular thing that makes it more successful.

market. Again, the indicator advocated as a measure of competitiveness must condition validity of conclusion based on this premise because 5% growth in this market does not necessarily mean a higher turnover than the one representing 1% for company **B'**. The premise is true or false depending on whether growth or turnovers is taken for indicator.

The second premise, that enterprise A is less competitive than enterprise B, is true, but not in terms of growth in the local market, because enterprise B realized only 1 percent, and Company A is not concerned with the world market in this comparison.

Taking into account the comparability basis of Oxford English Dictionary makes possible to prevent misleading arguments leading to false conclusions, while Cambridge Business English Dictionary's second definition assimilated through competitive advantage (*or a particular thing that makes it more successful*) allows to describe competitiveness of a company in the absence<sup>3</sup> of competitors in its same market through its evolution.

### Case 2 Positive Evolution Based Definition

Growth of companies **A'** and **B'** is, we suppose, in recession for a few years. The decreasing gradation of the growth rate of company **B'** is lower than that of company **A'**. This further positions company **B'** better than company **A'**. The fact that the first is better compared to this latter during these a few years does not make it however competitive.

The whole issue behind the question of competitiveness remains the survival and durability of a firm. A long or a continuous recession calls into question the survival of both companies. To say that one of them is more competitive than the other is a meaningless description with regard to the objective assigned to the contribution of management sciences, that of ensuring the durability of an organization.

In this perspective, positive evolution of Cambridge Business English Dictionary is a central fundament to retain. Indicators must be in a positive evolution to talk about competitiveness.

Cockburn and Siggel incorporate profitability and sustainability into their definitions<sup>[x]</sup>, two concepts that corroborate some of the fundamentals we have drawn from previous definitions. This definition implies, in addition, comparative advantage notion (*it thus reflects the ability of the producer to reduce his production costs compared to his competitors*).

On the micro-economic plan, moreover we have so far only dealt with definitions of this plan, these latter are often based either on efficiency or on trade. The two authors' proposal takes into account both of these approaches - efficiency (*reducing costs compared to competing producers*) and trade (*capturing a large market share*). Profitability and sustainability are two key elements that condition measurement indicators, as market shares do not necessarily mean profitability. However, this definition is limited to the sole factor of the price, factor which turns out sometimes insufficient to explain competitiveness.

#### **Cockburn and Siggel** (1995, p.2)

Capacity of a production unit (firm, national industry, etc.) to monopolize, in a profitable and sustainable manner, a significant market share ... it thus reflects the producer's ability to reduce its production costs compared to its competitors.

This cost-reducing view is also reflected in the Boston Consulting Group (BCG) definition. Roger Percerou (1984) criticized this definition. For him, the level of costs changes according to strategy adopted by the firm and strategic segment that it chooses. The BCG definition falsely interprets costs because it analyzes sequentially costs of different activities without taking into account the linkages between activities that can influence costs.

#### **Boston Consulting Group** (1981)

Competitive firm has the lowest costs and a high rate of technological innovation.

In addition to the price factor, other definitions emphasize the non-price factor as the case of the definition<sup>[xi]</sup> that competitiveness refers to the ability of a sector, industry or industry to design and sell its products. products at prices, quality and other features that are more attractive

#### **Flejterski** (1984)

Competitiveness is the capacity of the sector, industry or branch to design and sell its goods at prices, quality and other features that are more attractive than the parallel characteristics of the goods offered by the competitors.

<sup>(3)</sup> Attention, we are talking about the competitive advantage here as defined by Cambridge Business English and not by Michael Porter. For the latter, competitiveness does not make sense when there is no competition.



compared to the products offered by competitors.

This definition implies so many things; increasing quality of a product engages often at the beginning more costs. Pairing a price and quality advantages at a time is only possible with the ability to produce and sell in large quantities. It is also possible through economies of scale or learning effect. Scenarios offering such a possibility are not limited to these ways. Innovation, often associated with non-price competitiveness, contributes to optimization of costs by allowing a technical superiority in manufacturing processes, by replacing workforce ... etc. Possession of raw materials and their abundance is also another scenario. In fact, Flejterski's definition endorses several theories.

Flejterski's definition is corroborated by that of Buckley and his colleagues<sup>[xiii]</sup>. For them, competitiveness refers to the ability to produce and sell products and services of higher quality and lower costs than domestic and international competitors. This proposal also focuses on the long term. Competitiveness is a long-run profit performance and its ability to compensate its employees and provide superior returns to its owners.

The long-run focus seems to prevent companies that are selling at a profit, but this profit is continually declining. Such a pace will make the firm unable to compensate its production factors. Thus the definition deprives existing companies in such a situation of the characteristic of competitiveness. It would be meaningless to describe a firm as competitive while its durability is not noticed in the long-run. Even beyond the remuneration of production factors, a firm is led to release profit margins. According to Carret (cited by Henry and Moal, 1998), competitiveness of an industry for a given product is its ability to offer, for an equal quality, the product on the market at prices lower than or equal to those of the actual and potential competitors but sufficient to pay for factors necessary for its production and generate a profit margin.

Adamkiewicz<sup>[xiii]</sup> considers competitiveness of a company according to its ability to adapt its products to the market and to align with competition trend, especially in terms of product range, quality, price, sales channels and promotion methods. In short, this definition only takes into account the marketing process. Other processes are lacking here as strategic management process (competence, flexibility and adaptability, internationalization strategies ...), human resources process (brain drain and brain gain). In fact, although there are cases where marketing alone does not explain firm's competitiveness, the latter's variables are often taken up by definitions linking competitiveness at the micro level.

We are in a globalization era with multiple requirements. Only competitive firms are able to survive in borderless markets (Essomba, 2004<sup>[xiv]</sup>). Being an imperative, competitiveness is considered as a response to these requirements (Djeumene, 2010<sup>[xv]</sup>). Given this context of total market opening, marketing processes, according to Bekolo, contribute significantly to make a company competitive.

A firm's competitiveness according to him consists in benefiting above all from a higher power, a better position compared to competition on one or more aspects. He has devoted a great deal of research<sup>[xvi]</sup> to answering how a local company can capture a sustainable competitive position by leveraging a branding strategy. He concludes that marketing processes contribute significantly to competitiveness of the firm and its products. It recalls the thought that pure and perfect competition is illusory, because with marketing strategies, companies manage to reconstitute situations of monopoly, which justifies the notion of monopolistic competition, a situation of monopoly meaning in fact that firm holds significant competitive advantages.

Other definitions speak of competitiveness according to a macroeconomic approach, nation competitiveness.

- Altomonte et al. (2012)<sup>[xvii]</sup>

External or international competitiveness is the ability to exchange the goods and services that are abundant in home country for the goods and services that are scarce in this country.

**Buckley et al. (1988)**

A firm's competitiveness means its ability to produce and sell products and services of superior quality and lower costs than its domestic and international competitors. Competitiveness is a firm's long-run profit performance and its ability to compensate its employees and provide superior returns to its owners.

**Adamkiewicz-Drwillo (2002)**

The competitiveness of a company means adapting its products to the market and competition requirements, particularly in terms of product range, quality, price as well as optimal sales channels and methods of promotion.

**Bekolo (2004)**

For a company, to be competitive in a market, means to benefit above all from a higher power, a better position compared to the competition on one or more aspects.

- Barker, Köhler (1998)<sup>[xviii]</sup>

Country's competitiveness is the degree to which it can, under free and fair market conditions, produce goods or services meeting the test of international markets, while simultaneously maintaining and

expanding the real incomes of its population over the longer term.

- Bobba et al. (1971) <sup>[xix]</sup>

Competitiveness is the ability of nations, regions and companies to generate wealth being the precondition for high wages.

- European Commission (2001) <sup>[xx]</sup>

Competitiveness of a nation is the ability of an economy to provide its population with high and rising standards of living and high rates of employment on a sustainable basis.

- World Economic Forum WEF (1996) <sup>[xxi]</sup>

Competitiveness is the ability of a country to achieve sustained high rates of growth in GDP per capital

- Scott, Lodge (1985) <sup>[xxii]</sup>

National competitiveness is a country's ability to create, produce, distribute, and/or service products in international trade while earning rising returns on its resources.

- Tyson d'Andrea (1992) <sup>[xxiii]</sup>

Competitiveness is our ability to produce goods and services that meet the test of international competition while our citizens enjoy a standard of living that is both rising and sustainable.

- Krugman (1990 <sup>[xxiv]</sup>, 1994) <sup>[xxv]</sup>

If competitiveness has any meaning, it is simply just another way to express productivity. The ability of a country to improve its living standard depends almost entirely on its ability to raise its productivity. Competitiveness is meaningless word when applied to national economies.

However, some authors reject the idea of talking about competitiveness at the national level. Krugman (1990, 1994) argues that competitiveness is insignificant when applied to national economies. For him, it's just another way to express productivity.

A country's ability to improve its standard of living depends almost entirely on its ability to increase productivity. Krugman justifies the lack of significance of the competitiveness applied at the level of the nation by the idea that a company that fails to honor its commitments to its staff, suppliers and other creditors goes bankrupt. In other words, a company that is not competitive, is doomed to disappear. This principle is not valid for the case of a country.

A country never disappears for lack of competitiveness. What is happening is the deterioration of the living conditions of its population. For example, we found that definitions of national competitiveness have largely focused on elements that promote better living conditions: «maintaining and expanding the real incomes of its population over the longer term» (Barker et Köhler, 1998), «generate wealth being the precondition for high wages» (Bobba et al. 1971), «provide its population with high and rising standards of living and high rates of employment on a sustainable basis» (European Commission, 2001), «to achieve sustained high rates of growth in GDP per capital» (World Economic Forum, 1996).

As much as Krugman, Porter embraces the concept of productivity and sees it as the only meaningful concept of competitiveness at the national level. For him, competitiveness is an ability of an economy to provide its residents with a rising standard of living and high employment on a sustainable basis. He suggests that we should focus instead on specific industries or industry segments: «Seeking to explain competitiveness at the national level, then, is to answer the wrong question. What we must understand is the determinants of productivity and the rate of productivity growth. To find answers, we must focus not on the economy as a whole but on specific industries and industry segments», (Porter, 1990) <sup>[xxvi]</sup>.

Productivity is one of the great notions of approaching competitiveness according to several researchers, as is the case with the last two definitions (Krugman and Porter). Other concepts refer to competitiveness: absolute advantage, comparative advantage and competitive advantage. It is around these notions, especially the last two, that the work of the authors who have marked the most the research on competitiveness is articulated. A country has an interest in specializing in the area of production for which it has the highest cost advantage, which is stated in Adam Smith's Absolute Advantage Theory. However, this theory

is based on the assumption that each country is better than the others in at least one area of production. This hypothesis is incompatible when a country dominates all areas of production.

Although the theory of absolute advantage has not been contradicted by David Ricardo, the latter considers it impractical because production factors can be directed towards the countries that have an absolute advantage. His theory of comparative advantage answers an important question related to international trade, a question to which absolute advantage theory is not able to answer: Why a country that is more efficient in the production of all goods would be interested in entering into trade with other countries.

While we can only talk about competitiveness under a macroeconomic approach in Adam Smith and David Ricardo's researches, Michael Porter's allow us to approach competitiveness in both approaches: a macroeconomic approach embodied in productivity, and a microeconomic one with competitive advantage.

#### **IV. WHAT DEFINITION OF COMPETITIVENESS ?**

What have we defined so far? Competitiveness ? Or situations where we met this word? We have just presented a number of definitions and concepts through which we approach competitiveness? Is it a good way to try to understand a word through its definitions? Or should we analyze it itself rather than its definitions? Another question arises: Is competitiveness first a concept? We normally have to make of approach of philosophy of language the starting point to answer it. In the discipline in which our present work is written, we have very little interest in taking an interest in these approaches unless we change the disciplinary framework and then, as the interpretations made of a concept depend on the lived experiences of people, we would call other disciplines including psychology and sociology. We do not agree that philosophers have the monopoly of concepts, but also we do not want to risk philosophical commentaries especially we are not in possession of an etymological dictionary to start, and because also we will be unable to clearly define how and when the link was made between the initial meaning of the etymological word of competitiveness and its ultimate meaning. By the way, neither Adam Smith, nor David Ricardo, nor even Robert Torrens<sup>(4)</sup> have adopted the word "competitiveness". Porter, on the other hand, adopted it because for three decades this word has become the Alpha and the Omega of the political speeches and the companies strategies, it has even endorsed ideological connotations.

In fact, even etymology would not bring rich elements that could answer the question: What true definition of competitiveness? We are not really looking for an answer as much as we want to share some questions that came to our mind as we came up with definitions. Competitiveness, the least we can say is that it is not a precise concept. Literature offers us abundant definitions, none of which is good enough to explain many situations that so many literary and empirical papers have sought to explain. the more attempts to define it are abundant, the more they make it less precise. Economists, at the head of which we quote Krugman, refuse the use of this term at the level of nation mainly because States do not disappear when they miss competitiveness, but they qualify a company as competitive when it surpasses its competitors. If we consider the first justification, these competing companies, as surpassed, they still are described as competitive because they still exist on the market, they have not disappeared. In this respect, a competitive advantage, as a close term of competitiveness, would no longer be different from a key success factor. This imprecision makes of competitiveness a notion rather than a concept because, from an epistemological point of view, the notion and the concept could be opposed in particular by the quality of precision.

When Krugman says while rejecting the idea of speaking cross-national competitiveness that productivity is another way of talking about competitiveness, or when Porter assimilates the discourse on cross-national competitiveness to the answer to the wrong question, or when others adhere to this same criticism, it is not necessarily criticisms addressed to classical economists. Adam Smith and David Ricardo spoke about the cross-national competitiveness. However, to be more specific, they did not use the word competitiveness at all. They created their own concepts. In his masterpiece *On the Principles of Political Economy and Taxation*<sup>[xxvii]</sup> where he states the basis of his theory of free trade via the law of comparative advantages, and over three hundred pages, Ricardo has not used the word "Competitiveness" at all, not even once. Similarly, Adam Smith had spent several years publishing his famous and leading book *An Inquiry into the Nature and Causes of the Wealth of Nations*<sup>xviii</sup> where he presented his thinking on absolute advantage without using the word "competitiveness" anywhere. On the other hand, contemporary writers have excessively, thus following politicians and international organizations, handled the word "competitiveness" in their speeches and reports.

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<sup>(4)</sup> Robert is a British army officer and a classical economist. He is the first to have formulated the principle of comparative advantage independently of David Ricardo. He is one of the few to have proposed a critique of free trade, with his theory of commercial reciprocity and the theory of labor-value.

The question of the scope of competitiveness between macro and micro level does not seem to us to be behind the difficulty of defining competitiveness as long as the famous pioneer researchers did not use this term at the national level and instead of that, they proposed their own concepts, concepts leaving distance with any ideological connotation. Those who read the papers of Smith and Ricardo will find that they have used the word "competition", a term so close to competitiveness. Here, an important observation to emphasize: The word from the Latin "competitio" is competition and not competitiveness. Competitiveness is derived from an adjective and not from a name; the adjective "competitive", itself derived from the English "competitive". In the reference works of Smith and Ricardo, none of them used the adjective "competitive". To conclude, the protagonists of the classical school were conclusive and renounce the competitiveness concept implying the comparison of nations, and thus rejecting any ideological comparison. They provide the closest explanations of the Latin meaning. The works of Robert Torrens and David Ricardo favored the exchange with a sense of cooperation and reciprocal maximization of profits. This same principle is incompatible with the unilateral dominance that would possibly have ended the exchange. If we go back to the classical Latin of the term "competition", used by them instead of "competitiveness", we will have a Latin prefix "com" and a Latin classic word "petere". "Com" in Latin means "Together / with each other", not "Against each other". "Petere" meaning "seek", "aim at", "desire". In short, search together. Etymologically, competitiveness / competition had the meaning of "looking together" or "meeting at the same point". In 1620, the English meaning of the term became "consciously or unconsciously striving to achieve a purpose". Today, competitiveness refers to "being in a state of rivalry or struggle".

Definitions that we have quoted must indeed be of very little importance because none of them has been extracted from a work that has set as purpose to specify competitiveness, if at least it is not about creating a new concept like Smith and Ricardo. Most attempts to define it were only repetitions reformulating other definitions or consecrations of inaccuracy. Except for the definitions of competitiveness of Oxford English Dictionary Competitiveness, etymology and Cambridge Business English Dictionary, which have provided fundamentals, the other definitions are based on indicators and / or determinants of competitiveness. Let us imagine the large number of indicators and / or possible determinants, what definition based on them can be formulated by enumerating them all without spreading over several pages? It is difficult even to imagine such a definition because research keep confirming determinants and discovering others, scrutinizing indicators and establishing new ones. This means a tendency towards almost infinity of indicators and determinants. Even more difficult because there must be situations of causal ambiguity that it is almost impossible for an outside observer or even company staff to explain the source of competitiveness.

This is to say that this is not the right way to define competitiveness. It is possible that because of the imprecision which is devoted to it by the plurality of badly made attempts, it is too late to give him precision. The first three definitions that we have cited (Competitiveness in Oxford English Dictionary, etymology and Cambridge Business English Dictionary) can be applied to a wider range of situations than any other definition. Look out ! we are talking here only about the term "competitiveness" and not about other neighbor notions and concepts. If we ask our colleagues (in econoismics) the following four questions: What is absolute advantage? What is comparative advantage? What is competitive advantage? What is competitiveness? We will have similar or close answers to the first three, but a plurality of responses difficult to inventory for the fourth. Otherwise, there is absolute advantage theory, comparative advantage theory and competitive advantage theory. But there is no so-called theory of competitiveness.

Finally, what is the true definition of competitiveness? We rather ask differently: Is there a real definition? To quote Wittgenstein: "We are unable to clearly define the concepts we use; not because we do not know their true definition, but because there is no true definition"<sup>[xxxix]</sup>.

## **V. SAMMURY**

Considering the way this paper is developed, we have possibly concluded it while introducing it. Apart from the fact that the definitions of competitiveness are mostly repetitions of other ones which only accentuate vagueness and imprecision, it should be emphasized that certain foundations, including sustainability, are to be reviewed. Can we conceive a sustainable competitive advantage? Whenever a firm develops a competitive advantage, competitors fight back under penalty of disappearing. But we are also witnessing some giant companies that are more than a hundred years old and at any moment in their history their competitive power retreats one foot. Is it because their competitive advantage changes its source from time to time? or because it is ambiguous and unknown?

The foundation of the rivalry is not left out. If Michael Porter does not agree with the use of the term "competitiveness" in the absence of competition, Bekolo defends and he even justifies monopolistic competition and shows that a company via the marketing process manages to reconstitute a monopoly situation.



To conclude, the plurality of definitions of competitiveness is due not only to the plurality of its application levels or to the diversity of its fields of use. What makes the minimum consensus on a definition even more difficult is the nature of the debate over competitiveness; this debate has become largely ideological rather than scientific. The purpose of this paper is not to list the determinants nor the sources of competitiveness, we wanted to remind the real questions to be asked to define this word. In addition, the choice made of the definition will condition, unconsciously or not, the questions to which the research object in question is confronted. It will format the research process and even channel the nature of the resulting input. It may be that this work, on the basis of the acceptance kept of competitiveness, is a contribution at the professional level, methodological level, but may not be properly at the disciplinary level.

When a researcher, for example, uses Porter's diamond or Cho's nine-factor model, he must remember that in inscribing his research in the management sciences framework, the view of the latter is that the competitive advantage is not result of random. Porter adds the stroke of chance as an external variable to his model of attributes defining the environment where companies learn to compete for the benefit of their competitiveness. Expanding Porter's diamond, Cho adds to his eight-factor model a ninth, which is luck. Saying this, we are not criticizing these models whose contribution is indisputable, but to recall that competitiveness from the point of view of the management sciences, which always seek to build their scientific legitimacy, is the result of strategic management, not chance or luck. But, if we want to talk about "Management" rather than "Management Sciences" since we have been running businesses for centuries, this is not an invitation to exclude the chance or the luck out of research dealing with competitiveness because they are also elements that exist and affect the competitiveness of a firm and hereby of a nation.

The various definitions proposed in the literature have different bases. For instance, those who consider the competitiveness of nation as integrally linked to that of its companies link the macroeconomic factors with firm competitiveness. In doing so, such a definition conditions the research questions. It is difficult to admit comparing the competitiveness of a small economy to the domestic demand factor, or that of a less developed country to the innovation factor. The level of development of a nation dictates in part the research objects in papers on competitiveness. Therefore, many are implications of the choice made of the definition of competitiveness and the abundance of meaning kept of it is generated from these same implications and not only on the basis of the chosen unit of analysis.

This was an attempt to apprehend competitiveness. It may be that a preference for this or that definition goes without escaping epistemological risks. A study with a researcher acceptance of competitiveness that differs from that of the company would favor a circular analysis.

Finally, there may have been some mistakes regarding English of which this paper is written and therefore we have to ask for tolerance.

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