SECTION 1.
ECONOMIC THEORY, MACRO- AND REGIONAL ECONOMY

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DEVELOPMENT IN MODERN SOCIETY:
ECONOMIC CONTEXT

Civilizational development and the formation of the corresponding economic structure have their own peculiarities for individual countries in the course of the historical process, which is due to the objectivity and unevenness of social and economic development of mankind. It is natural that one group of countries changed its structure faster than other communities and made a transition to a higher civilizational stage of development. Such unevenness is also characteristic of the current stage of development, which is caused by a number of objective factors. In countries with transformational economies, elements of the structure of the market economy and structural elements of the post-industrial society are being formed [1]. All these trends, without a doubt, affect both the rate of economic growth and the quality of economic development.

The understanding of the essence of the category “development” is quite broad and is studied in both philosophical and economic literature. As a philosophical category, “development” is an irreversible process aimed at natural changes in material and ideal objects that lead to the emergence of a new quality [2-4]. With regard to understanding the essence of “development” as an economic category, we share the point of view of scientists [5] who interpret the economic development of society as a multidimensional process that includes economic growth, structural changes in the economy, and improvement of living conditions and quality of life.

In a general sense, “development” is a special type of movement that characterizes the progressive nature of the interaction of things. Any development is movement, but not all movement is development [1]. The concept of progress is closely related to the concept of development and movement. Progress is a movement from the lower to the higher and, at the same time, from the simple to the complex. In general, progress is characterized as a process of functional enrichment of developing systems. Thus, a connection can be made between development and functioning. Development is realized through functioning, and functioning implies development. The described dependence reflects the identity between these concepts, but from the point of view of dialectics, it has differences and requires further research.

From the point of view of the “model of the whole”, national economic systems are aimed at civilizational movement through changes in the quantitative relationship between sectors. In parallel with the civilizational movement, these systems demonstrate economic development, which, according to the “functioning” model, is the development of individual sectors under the influence of factors within a certain environment, which is ensured by the interaction of formal and informal institutions. Accordingly, in terms of quantitative proportions (“the model of the whole”), the relationship between sectors in a post-industrial society should be characterized by the dominance of the tertiary sector, a smaller presence of the secondary sector and a minimal
share of the primary sector. However, in their qualitative development (“model of functioning”), these sectors should have the same level of economic and social development within a certain institutional environment. The combination of quantitative and qualitative criteria for the development of the sectoral structure of the national economy will minimize the contradictions of the development of post-industrial society, which often become more acute during the period of transformation and in the process of global crises.

From the point of view of the historical process and a deep understanding of economic development, we believe that it is advisable to distinguish phases in each stage of civilizational development. As for the term “phase” (from the Greek phasis – appearance), there are different interpretations of it – from physics, astronomy to psychology and economics [5]. When defining this term, the common thing is that these fields of knowledge characterize it through the aspect of “appearance,” i.e., a phenomenon can appear with a certain cyclicity only on a new qualitative basis. It should be noted that at each stage, certain phases of development may appear, which will be repeated in another, but on a new qualitative basis. For example, knowledge is a prerequisite for economic development at any stage, but it becomes dominant only at the post-industrial stage of development, when the phase of the “service economy” is replaced by the phase of the “knowledge economy”. From the point of view of the civilization movement, the transition from one stage to another takes place in the economy of every country. However, one or another phase may be absent for the economy of a particular country, which leads to two possible development scenarios: progress or regression. If the development of a certain stage is progressive, it is possible to move from one stage of economic development to the next, skipping a certain phase of development, but with qualitative changes in the sectoral structure of the economy. Regression results in deformations of the sectoral structure of the economy. It is important to note that a “leap” can be made between phases and stages, but is not allowed between stages. In the transition from the agrarian to the post-industrial stage of development, the industrial stage cannot be skipped. Because due to the low level of development of productive forces and unformed institutional factors (which correspond to the higher stage), we cannot move to the post-industrial stage at the agrarian stage. And if progressive phases and stages of development are skipped, countries with transformational economies may experience structural imbalances that do not correspond to the post-industrial stage but are characteristic of the previous one. For a more thorough characterization of the stage of economic development, it is necessary to use the concepts of “phase” and “stage”, which allow analyzing economic development not only by quantitative features (structural proportions), but also by its qualitative characteristics. This is extremely important and necessary for countries with different levels of economic development, especially for countries with transformational economies. According to the three-sector model of the economy, countries demonstrate movement towards a post-industrial economy, but in terms of qualitative characteristics of economic development, they do not correspond to this stage.

The realities of economic existence convince us that economic development is determined not only by their resource potential, technological achievements and other purely economic and structural factors, but also by scientific and cultural, social and socio-psychological factors. The formation of a post-industrial society is a long and creative process that requires time and scientifically sound strategies.

References:
