GLOBAL PROBLEMS OF DEVELOPMENT OF THE MODERN WORLD ECONOMY.

Abstract: The article is devoted to the consideration of global problems of economic development. Examples of the main problems are given and their influence on economic development is described. The conclusion is made about the possibilities of solving these problems.

Keywords: World economy, problems of development, global problems.

In recent decades, due to the development and consolidation of international relations, economists are increasingly turning their attention to the risks and problems of ensuring the stable development of the world economic system. At the same time, global problems are generally understood as a set of socio-natural problems, on the basis of which the social progress of mankind and the preservation of civilization depend on. Following the relevance of this topic, this essay is devoted to the disclosure of the theme of global problems of the world economic development in the current historical period.

Under the term global development problems, we understand problems that affect the interests of all countries (or most countries), hamper the economic and social development of the world, require urgent
solutions, are interrelated, and also require the coordination of actions of all countries in the world.

So, in the scientific literature one can find different approaches to highlighting global development problems. One of the most authoritative is the approach of the Russian economist A. E. Pogorletsy. In his work «The World Economy and International Economic Relations»¹ the author identifies three global problems of the development of the modern world economy: the demographic problem, the problem of ecology and sustainable development of the world economy, the global HIV epidemic. In my opinion, several more problems can be added to this list.

The demographic problem lies in the unfavorable dynamics of the population and the shifts in its age structure. The explosive growth of the population in developing countries leads to unemployment, and consequently to a low quality of life. Most of the countries see the practical solution of this problem in different ways. Some do not take any measures, others, for example, China, pursued a policy to limit the birth rate. However, now this has led to the fact that China has a significant proportion of the elderly population. It is difficult to provide a decent standard of living for such amount of people.

However, the demographic problem has another side. The average annual growth rate of the world population is gradually slowing down: from 2% in 1960-1965 up to 1.5% at the end of the century. This is due to the fact that the countries of North America, Europe (including Russia) and Japan have moved to a simple reproduction of the population or even to its decline. This situation leads to a shortage of labor, which jeopardizes the economic growth of these countries. European politicians find a practical solution to this problem in the mass importation of migrants from the countries of the third world. However,

this leads to the emergence of no longer economic, but new social problems, including terrorism and extremism.

The World Bank in 1992 in the World Development Report noted that environmental protection is an important part of development. The process of economic development will be undermined without effective environmental protection. In the 70s of the 20th century, economists and politicians realized the importance of environmental problems for economic development. The processes of environmental degradation can have a self-replicating nature, which threatens the society with irreversible destruction and depletion of resources. Conventionally, the whole problem of degradation of the world ecological system can be divided into two components: irrational nature management and pollution by waste of human activity. Currently, the reduction of forests continues at a rapid pace: annually, more than 20 thousand km2 are destroyed. Tropical forests are cut down at a rate that is 15 times greater than their natural recovery. Degradation of land resources also continues.

There is no consensus on the magnitude of the costs of preserving the environment in various types of economic activity. But most experts agree that they should be taken into account when creating development policies. The danger of an environmental crisis is also associated with the impact on the lower atmosphere of greenhouse gases.

To the list of global problems of the development of the modern world economy, one can also attribute the following. The North-South problem is the problem of the economic relations of developed countries with developing countries. Its essence lies in the fact that in order to bridge the gap in the levels of socio-economic development between developed and developing countries, the latter require various concessions from developed countries, in particular, to expand the access of their
products to the markets of developed countries, to increase the inflow of knowledge and capital (especially in the form of assistance), debt cancellation, cancellation, etc. The backwardness of developing countries is potentially dangerous not only at the local, regional and interregional levels, but also for the global system of the economy as a whole. The backward South is its component and, hence, its economic, political and social problems will inevitably find and already find expression outside. That is why the North-South problem can be rightly interpreted as one of the global problems of our time.

One of the main problems in the world is poverty, which is understood as the inability to provide the simplest and most accessible living conditions for most people in a given country. The large scale of poverty, especially in developing countries, poses a serious danger not only for national, but also for world sustainable development. In the modern world, poverty and backwardness are characteristic, first of all, for developing countries, where almost 2/3 of the world's population lives. Many of these countries are characterized by poverty. Much of the poor people are illiterate. There is a growing social tension, which is manifested in the increase in the number and depth of conflicts of ethnic, religious, territorial. Over the past 50 years, significant progress has been made in food production. At the same time, every seventh person in the world suffers from a shortage of food (by calories). The underdeveloped countries will not be able to solve this problem on their own, they need international assistance.

Recently, among the problems of world development, the problem of exhaustibility and lack of natural resources, especially energy and mineral raw materials, has become apparent.

The problem of globalization of the world economy is the last but not the least. Globalization is the process of forming a single global production, financial, economic and information space. In practice, there is a different attitude towards globalization. There are supporters, there are opponents.
Supporters of globalization, even mentioning the real and potential risks associated with it, believe that this process is irreversible, and it is only necessary to properly manage and participate in it. Opponents of globalization are divided into two camps. Some recognize the objectivity of globalization and consider it an evil, sad, if not tragic, inevitability. Others question the existence of the phenomenon itself. The commonplace of all passages on globalization is the openness of borders for trade and financial flows. Adherents of globalization see its main advantage in strengthening fruitful competition, not limited to protectionist and ideological frameworks in the context of a global division of labor. However, opponents of globalization argue that the benefits of globalization can not be distributed evenly around the world. Some industries from international trade receive huge benefits, the influx of skilled labor from abroad, financing, while others, on the contrary, lose competitiveness, become unnecessary. Forgotten industries need time and money to be reconstructed, to adapt to new conditions of life. In the end many owners lose money, and people lose their jobs. Such changes greatly affect the national economy of each individual country, introduce changes in economic structures, lead to an increase in the level of unemployment. It is extremely difficult to work out a practical solution to this problem, but in my opinion, globalization is an objective process and it is almost impossible to stop it without giving up the market economy and closing the borders for trade.

Summarizing all of the above, we can draw some conclusions. To solve the global problems of the modern world economy, the efforts of one or several countries are not enough, the participation of all states and their effective interaction are necessary. A unified international mechanism for monitoring and regulation, the definition of international
legal and economic norms are needed. Great hopes in solving such problems are assigned to the UN, the IMF, the WTO, regional and sectoral organizations that have extensive experience in coordinating international cooperation, using resources, regulating the world economy. Global cooperation through the creation of formal or informal international institutions represents an important mechanism for solving problems. With its help, it is possible to achieve stability in the modern world, ensure stable economic growth, accelerate the development of the poorest countries, solve environmental and climate problems, limit the consumption of exhaustible resources, and even influence the consequences of globalization.

References: