

# Problems of Civilizations Sustainable Development Through the Negative Globalization Factors of the World Economy

Botasheva A.K.

Department of Journalism, public relations and media  
communications  
Pyatigorsk State University  
Pyatigorsk, Russia  
[ab-ww@mail.ru](mailto:ab-ww@mail.ru)

Kholodova E.N.

Department of Food Technology and Commodity Science,  
School of Caucasus Hospitality  
Institute of Service, Tourism and Design  
North-Caucasus Federal University  
Pyatigorsk, Russia  
[holodovapgtu@yandex.ru](mailto:holodovapgtu@yandex.ru)

Galdin E.V.

"Design" Department, Engineering Faculty  
Institute of Service, Tourism and Design  
North-Caucasus Federal University  
Pyatigorsk, Russia  
[galdin@list.ru](mailto:galdin@list.ru)

**Abstract**—The globalization of the world economy is by no means has a conflict nature. It is urgent to scientifically comprehend the nature and dynamics of globalization processes in the context of complex and ambiguous confrontational situations accompanying global changes. The task of identifying the main problems of globalization of the world economy that determine modern risks for the development of civilizations is dictated by the urgent need for further development of the theory of sustainable development of civilizations.

**Keywords**—*globalization; global economy; sustainable development; security risks.*

## I. INTRODUCTION

We are witnessing a kind of “division” of civilizations into those that are technologically perfect, as they have higher technological, informational and economic potential and civilizations that lag behind in terms of sustainable development. The lagging countries reproach Western civilization for the destruction of all previous experience and centuries-old traditions, and for parasitizing on the labor and natural resources of the lagging countries. Indeed, we can say that the globalization of the world economy has become a very severe challenge to recent history, as it is accompanied by an exacerbation of traditional and the emergence of new global problems, the destruction of the foundations of sustainable development in general for the entire world community.

The inconsistency of opinions about globalization, including the world economy, remains debatable, and the topic was so actively discussed in the scientific community that the English language even appeared slang “*globaiony*”, summarizing the extent, inconsistency and insignificance of

the problems. It should be noted that so far the fundamentals of the scientific reflection of the problems and challenges brought by the processes of globalization show a wide spread of opinions about the essence of the phenomenon, and the dynamics, opportunity, prospects and essence of sustainable development in a globalizing world remain unclear for experts and scientists as a whole.

## II. RESEARCH METHODOLOGY

The basis of research methods and tools are: a critical review of research and publications on the topic, as well as a theoretical analysis of the problems of globalization of the world economy. The combination of analytical approaches has revealed the relationship between the processes of globalization of the world economy and the risks to the security of countries and peoples.

## III. RESULTS

Globalization is often called “usurped globalization”, implying that globalization is a process primarily led by the United States, emphasizing that “globalization of the world should not mean Americanization” [1]. In our opinion, when analyzing the origins of the problems caused by the processes of globalization, and considering them in line with the reasons that cause the emergence and reproduction of risks to sustainable development, it is necessary to consider the political and economic issues of the global uneven development of capitalism as a whole, as a concrete historical formation, since fundamental objectivity globalization, as it “did not sound Marxist”, is the development of capitalism, based on technological progress and economic growth. Here it

is necessary to recognize the fact that globalization is not a product of "market-free America", since the phenomenon of globalization is more multifaceted than the characteristics proposed for consideration.

Globalization is a natural historical course of spontaneous development, objectively determined by the historical evolution of the transnationalization of production and consumption, a natural process that increasingly embraces the daily life of every inhabitant of the planet. The list of leaders of globalization includes countries that successfully overcame the industrial revolution, pursued an active colonial and aggressive policy, were leaders in the transition from the lower stages of capitalism to the higher, and therefore in industrial development, which makes it urgent to develop a unified opinion on the role of the "European" countries and "non-European" civilization in the processes of globalization of the world economy.

So, it is necessary to pay attention to the following points: basically capitalism provided the basis for world scientific and technological progress, and globalization, as a product of the achievements of science and technology in various fields, is at the same time a consequence of considerable financial investments in their development by Western countries. Recognizing the impossibility of unambiguously determining economic globalization, we briefly define the globalization of the world economy as a component of many processes consisting of both an increase in foreign trade in the world gross product, information achievements, a qualitative increase in the volume of interdependence of countries and peoples, a faster speed of movement of finances and capital, and growth in migration movements etc. All of the above indicates the flow of a quantitative and qualitative change in integrating components towards a sharp increase in mutual relations in all areas of human life, the spheres of state life and the economies of countries. Naturally, these are processes accompanied by an increase in global problems.

Thus, according to the International Monetary Fund, which analyzed income trends throughout the twentieth century, there is an unprecedented increase in inequality between rich and poor countries, as well as between rich and poor people within countries. Despite the "remarkable average growth of incomes", per capita GDP increased by six times among rich countries and less than three times among poor countries [2]. And the gap only widens, making up the ratio of 1: 100 in the limit values for a number of the richest countries in the world, and it is clear that maintaining the status quo will doom them permanently to backwardness. Accordingly, the Human Capital Development Index (HDI) varies: according to the data of 2018, the USA, Norway, Switzerland, Australia, Ireland and Germany are in the lead.

It is clear that developed countries will use globalization for their own purposes and interests - in order to further enrich the countries that have managed to materialize and monopolize the processes of globalization in many ways. It is assumed that the modern West, with less than 15% of the world's population, controls more than 70% of world production, trade and consumption, 20% of the richest people in the world have 86% of world GDP, and 20% of the poorest

only 1%. Nearly half of the world's population — more than three billion people — live on less than \$ 2.50 a day. According to Anup Shah research, more than 80% of humanity lives on less than ten dollars a day, while 80% of the world's population lives in countries where the difference in incomes is increasing. World income is distributed critically unevenly. The poorest 40% of the world's population have only 5% of world income, and three quarters of the world income belong to the same 20% of the rich. According to UNICEF, 22,000 children under the age of five die every day due to parental poverty [3].

According to the report "Indices and Indicators of Human Development" published in the framework of the UN Development Program in 2018, recent discussions on income inequality within countries largely focus on the income and welfare of the richest 1 percent of the population and even the richest 0.1 percent compared to the rest. It is stated that "eight people own the same wealth as 3.6 billion people, the poorest half of humanity, and that "82 percent of all global wealth last year passed to the top 1 percent, while the lower half of humanity did not see no improvement". As the speakers rightly emphasize, "focusing attention only on these groups can hide another growing problem of inequality - stagnation and worsening living conditions of middle-income households" [4]. It can rightfully be said that the growth of poverty and poverty, accompanied by the growth of the arms race, etc. - became more dangerous phenomena when participating in the global redistribution of economic and political spheres of influence on the part of key players in geopolitics.

We believe that macroeconomic shifts that are devastating for entire countries, sometimes artificially caused, can lead technological organizational, economic and stage backwardness, relations of lower capitalism, the dominance of foreign capital, debts, poverty, and penury. We are talking about a complex of social contradictions, accompanied by retaliatory explosions of terrorism from the degraded sections of society. At the same time, the comprehensive erosion of borders and the erosion of the regulatory function of states facilitates the transnational scale of the activities of terrorist organizations and transnational criminal organized crime groups, with the simultaneous expansion of their joint social base.

The latest wave of international organized crime encompassing the sale of drugs, people and children, donor organs, weapons, terrorist attacks, etc., the nature of which is an increasing strategic threat to large masses of the world's civilian population, accumulates and realizes its terrible potential in various regions of the world. An important fact is that modern international criminal organizations actively parasitize on the apparent imperfection of modern models of socio-political and economic globalizing systems and use the achievements of a globalized society: the absence of state borders, modern technical means and weapons, cyber novelties, poor security of the financial system, etc. In addition, according to the Stockholm International Peace Research Institute (SIPRI), the number of local and regional conflicts involving violence in the world has risen sharply, and

the vector of sustainable development of most countries over the coming decades remains in great doubt.

When assessing the current activation of the problems of managing the globalizing world economy and economic systems at the macro, meso and micro levels, it is important to turn to the theory of sustainable development. In the modern sense, the theory of sustainable development refers to the study of the origins of the development of civilizations, a set of problems that impede the integration of economic, social and environmental, the concepts of the prospects for the development of stable financial relations coupled with the development of civil society.

As suggested by I. Goldin and A. Winters, in general, the academic understanding of sustainable development refers to the economy and can be interpreted as "future growth that is not threatened by the present" [5]. In the fair opinion of N. Rume and S. Rays, the term "sustainable development" cannot be thoroughly disclosed without an emphasis on such components as social success plus environmental well-being with the joint participation of the public and private sectors [6]. In more detail, with the proposal of concrete practical steps towards solving the problems of the economy, the concept of sustainable development is considered by Bojö, J., Mäler, K.-G. and Unemo, offering to pay attention to the distribution of resources in conjunction with the interest rate that banks offer [7,8]. In turn, L., Karlan, D. and Morduch, J. are closely scrutinizing the financial sector of countries, rightly assuming that the solution to poverty lies in the plane of the financial sector, as barriers in the financial sector for the general population threaten to reduce economic literacy and economic efficiency [9].

In our opinion, in this regard, transnational companies (TNCs) and TNBs (transnational banks) are showing great activity on a global scale, which began to act as a fundamentally new and basic link in the state-corporate economy. As the researchers suggest, the scale of transnational activity of large corporations is approaching the volume of intra-national, often and exceed it. Often they use and exploit a huge share of the natural resources belonging to dependent countries, selling in exchange for finished products and obsolete industrial capital from the full value charged to depreciation at their initial cost, leaving environmentally hazardous waste there.

In the activities of transnational corporations and transnational banks, the decisive factor is economic and information integration and global virtual capital. According to the latest UNCTAD annual report on global investments, in 2016 there were 78 thousand TNCs operating in the world, with 780 thousand foreign branches. The American government is particularly active in promoting transnational expansion, which not only removes obstacles in their path, but also insures them. So, back in 1961, the United States created a special organization - Overseas Private Investment Corporation (OPIK) - to provide guarantees to American firms against all kinds of risks to which their foreign investments are exposed. Thanks to state support, today TNCs have reached the level of mastering the roles and functions of the states themselves, forming quasi-states, usurping the role and

functions of these states. Additionally, global financial players use speculative capital, financial pyramids and operate on speculative fluctuations in the exchange rate.

Such assignment of the vector of world economic processes could not but lead to crisis shocks, which ended with the planetary financial and economic crisis of October 2008, the results of which affected the global recession for a long time. Estimates of the consequences are different and sometimes opposite, but one thing is clear - the developing countries, to which globalization has brought a quick and largely uncontrollable negative reaction to local and global economic disasters, have suffered in the first place. Moreover, a number of developing countries today are becoming a model of overflow of finances and even greater accumulation of funds in the hands of shadow financial tycoons and oligarchs, demonstrating the impermissible income gap of the poor and rich, and the absence of a middle class.

On the other hand, the desire to strengthen the controlling role of the state, where the declared motivation of "violation of public safety" and "counteraction to terrorist danger" gives the enriching minority the opportunity to control the discontent of the population as much as possible, significantly limiting the freedom and democracy of civil society, which deliberately restricts their freedoms and right for the sake of basic survival. As a result, the struggle for the redistribution of power and property is escalated, accompanied by the inability of the political leadership to prevent the minority from illegally receiving excess profits.

It turns out that globalization is by no means a conflict-free nature. It is generated by the modern form of imperialism, in developing countries it is a form of "wild capitalism", and bears the imprint of its antagonisms, only fixing the system created in imperialism for the unfair distribution of the country's resources and the benefits created by them in favor of the shadow actors of the modern global economy.

Among the main problems of globalization of the world economy, the following should be noted:

- exploitation of peoples by international fictitious capital, completely divorced from the sphere of production;
- global capital accumulated to date in 40 thousand transnational corporations, ensuring the interests of Western countries;
- aggravation of the struggle for natural resources;
- the aggravation of the struggle for the territory of the Arctic and space;
- the ever-increasing confrontation between the peoples of the Third World, striving to establish a just world order and the so-called "golden billion";
- deepening economic and other inequalities in the development of states;
- the activity of international economic organizations and institutions that make decisions in favor of developed states that are binding on national governments of economically dependent countries;
- crowding out of the employment sector in countries with economies in transition and developing is not prepared for technical progress and increasing unemployment while reducing wages;

- Integration of huge masses of forced migrants into unusual and non-traditional working conditions for them;
- strengthening the position of supranational economic and military entities;
- global consolidation of the currency and capital markets in the form of vertically integrated companies, which finally took shape in the strongholds of the entire TNC and TNB system;
- out of control overflows of capital, giving freedom to the actions of virtual financial players;
- the possibility of rapid artificial spread of local economic crises in other countries;
- the acquisition of organized crime of a supranational character (illegal business brings profit to the mafia groups of \$ 1.5 trillion annually), which allows you to create criminal financial empires, etc.

As a consequence of these problems, you can consider:

- the presence of numerous terrorist threats from the political and criminal international;
- the growth of opportunities for committing high-tech attacks;
- the danger of the escalation of the “fight against terrorism” into an escalation of colonial policy;
- the danger of the escalation of the “fight against terrorism” into an escalation of the control of their own population by national governments, etc.

Such is the reality and modern globalization of the world economic economy - this is just an increase in the communicative possibilities of a person, groups, societies, communities in the economic sphere, not accompanied by the transformation of the world economy into a transparent and interdependent.

#### IV. CONCLUSION

All other aspects of globalization, such as political, social, military-strategic, ethno-national, cultural, ethical, etc., are secondary, derived from the main global development paradigm, and their behavior - growth or decline - depends on the state of the world economy, since nowhere are the faults and global contradictions more pronounced than in the

financial and economic sphere of the world economic system, the processes of which are accompanied by a gigantic acceleration of the exploitation of labor and natural resources throughout the plan children. And in this situation, the ownership of one or another information, the ability to synthesize supranational economic planning with the state, and the ability of political institutions to keep up with the new economy, which is closely connected in all respects with the international economy, will play an increasingly decisive role. Therefore, in order to keep pace with the locomotives of globalization, it is necessary, first of all, to control the direction and pace of economic and technical development, to develop a civil society, eliminate corruption and create conditions for the growth of the middle class.

#### References

- [1] Feofanov, K.A. The Civilizational Origins of International Terrorism // Social and Humanitarian Knowledge. 2004, 5, pp. 47.
- [2] Globalization: a threat or opportunity? URL: <https://www.imf.org/external/np/exr/ib/2000/041200to.htm>
- [3] Anup Shah. Poverty Facts and Statistics. URL: <https://www.globalissues.org/article/26/poverty-facts-and-stats>
- [4] United nations development programme. Human Development Reports. statistics for 2018. URL: <http://hdr.undp.org/en/2018-update/download>
- [5] Goldin, I. and Winters, A.L. Economic policies for sustainable development. In I. Goldin and A.L. Winters (eds.). The Economics of Sustainable Development, Cambridge University Press, Cambridge. 1995, pp. 1-15.
- [6] Roome, N. and Louche, C. “Journeying toward business models for sustainability: A conceptual model found inside the black box of organisational transformation”. Organization & Environment. 2016, vol. 29, 1, pp. 11-35.
- [7] Bojö, J., Mäler, K.-G. and Unemo, L. Environment and development: An economic approach. Dordrecht: Springer Science & Business Media. 1992.
- [8] Aleksandr S. Kuznetsov. Russian Professor’s meeting. Russian Journal of Physical Education and Sport. 2019, 14(1), pp. 17-22. DOI: 10.14526/2070-4798-2019-14-1-18-24
- [9] Karlan, D. and Morduch, J. Access to finance. In D. Rodrik and M.R. Rosenzweig (eds.). Handbook of Development Economics 2010, vol. 5, pp. 4703-4784.