

MODELS OF SOCIAL AND ECONOMIC DEVELOPMENT OF THE LEADING COUNTRIES OF THE WORLD

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Abstract. *The article is devoted to solving an urgent problem related to the development of the concept of socio-economic models of the leading countries of the world, the advantages and disadvantages of these systems and the new socio-economic model of Russia. The author considers the estimated risks associated with this socio-economic model. The article examines individual socio-economic approaches associated with various forms of macroeconomic development, taking into account individual national and political characteristics. Research in this area is necessary, since the role of the social level of provision of the population and the economic development of the state as a whole increases, which significantly affects the standard of society living.*

Keywords: *economic relations, leading countries, socio-economic model, development, society, progress, income.*

This article will focus on the concept of socio-economic models of the leading countries of the world, the advantages and disadvantages of these systems and the new socio-economic model of Russia. And also in the article the supposed risks which are connected with the given social and economic model will be given.

The modern global system of world economic relations has developed several models of macroeconomic development. It is natural that each country has its own individual characteristics of development, but for the leading countries of the world can be summarized the following models. First, for countries with a developed economy it is accepted to speak about three basic models: the neo-liberal economy of the Anglo-Saxon type (USA, UK, Ireland, New Zealand), social market economy (continental EU countries, Canada, Israel) and East Asian model (Japan and the leading countries of South-East Asia).

The neo-liberal Anglo-Saxon model has developed by the end of 1980s – beginning of 1990s, it has a relatively low role of the state in the economy and high entrepreneurial activity. In comparison with the rest of the developed countries, the share of state property in the mentioned States has decreased quite significantly, state expenditures have decreased in relation to incomes, and the level

of social protection of the population has decreased slightly [1, p. 247]. The Anglo-Saxon countries are currently demonstrating a fairly high level of economic development. The disadvantage of the model is the heterogeneity of society, which is quite sharply differentiated in terms of income.

The second model is the social market economy typical for continental European countries, Canada and Israel. Here, historically, the role of the state, respectively, a large share of state property, a high level of public spending, large-scale social protection programs. The state redistributes the income of the private sector of the economy through the tax system, which is quite burdensome for entrepreneurs and the circle of people with high earnings. In essence, such a model is social liberalism, a kind of compromise between socialism and capitalism, it contributes to the achievement of social harmony [2, p. 255]. It is premature to say that such a model is ideal. Among its disadvantages high unemployment, deficit of public finances, inefficient public enterprises in key sectors of the economy are included.

The third model is valid in the countries of Eastern Asia (Japan, South Korea, Taiwan, Singapore). Its features are peculiar to the Eastern clan, closely interwoven interests of businessmen and the government, the export

orientation of the national economy. Most recently, such a model was considered an «Asian miracle», but the currency and financial crisis of the late 1990's and Japan's 20-year economic downturn at the end of the second Millennium showed its negative features [3, p. 142].

It is rather difficult to conclude which model is the best. Each country has its own unique features, and applying identical most ideal model to all countries at exact time is simply impossible. A certain amount of re-worked experience of the 1990s in General and overcoming the crisis of 1998 in particular lie at the heart of modern Russian economic policy. The main elements of this policy are:

1) Ensuring political and social stability as a condition of sinequanon.

2) The Gradual enhancement of the role of the state as a source of this stability. This manifests itself in at least three forms:

- growth of state property (formally and actually);

- growth of budget revenues and expenditure (absolute and as a share of GDP);

- compensation for distrust of financial institutions by the development of state financial structures (typical for the country of catching-up industrialization);

3) Budget balance against the backdrop of growing revenues and budget expenditures. However, the budget balance is a rather artificial element, when the key factor is the expansion of the state. Accordingly, stopping (or even significantly slowing) income growth leads to a transition to a deficit budget.

The rate of social developing shows an exact linkage of economic indicator (calculated GDP per capita) with a social development rating. As a rule high-income countries achieve higher levels of development. However, not only economic data contribute to social development.

Ratio between economic and social development changes with the growth of income. At a lower level of income, a small difference in the level of GDP is associated with a large difference in the indicators of social progress. For example, in terms of water quality, sanitation, and housing conditions, there is a huge

difference in values between low-income and lower-middle-income countries. In fact, as the economies of low-income countries develop, the indicator of environmental sustainability may deteriorate before it begins to show positive dynamics again.

The economic development of low-income countries does not necessarily entail a significant increase in the level of social development. For example, if you take the personal safety indicator. It tends to decline significantly only when countries reach a high-level of income, but even then there are significant differences between countries. Up to this point, low-and-middle-income countries have seen little progress in personal security.

A high level of GDP per capita contributes to the satisfaction of basic human needs, but does not guarantee the expansion of social opportunities. Most countries provide their citizens with sufficient basic health care, and the same applies to access to education and adult literacy.

Similar coordinated joint efforts may be needed to improve indicators such as personal safety, access to higher education, and environmental sustainability, for which many countries do not perform well.

Modern risks and problems of social and economic development of Russia are connected both with a number of objective tendencies and challenges, and continuance of a course on «economy of demand».

1) The Prospects for economic growth under the declining population of the country. Modern economy has no precedent of sustained growth and with a lack of population rise. This does not mean that such a phenomenon is impossible in general, especially in the context of increasing globalization (with a global market and global demands). However, this problem should not be ignored and requires a profound analysis.

2) Escape from the country's middle class and political elite. There is an exit strategy in a large part of the population – and the population is educated and rich. The reason is the low level of security of a person or property, as well as the lack of confidence in the ability to determine the nature of political life in the country. This is particularly evident towards to children, who intend to get education out-

side the country. In the meantime, the funds necessary for the arrangements abroad are being withdrawn. Capital is also exported.

References

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МОДЕЛИ СОЦИАЛЬНОГО И ЭКОНОМИЧЕСКОГО РАЗВИТИЯ ЛИДИРУЮЩИХ СТРАН МИРА

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***Аннотация.** Статья посвящена решению актуальной задачи, связанной с разработкой концепции социально-экономических моделей ведущих стран мира, преимуществ и недостатках этих систем и новой социально-экономической модели России. Автором проводятся предполагаемые риски, связанные с данной социально-экономической моделью. В статье рассматриваются отдельные социально-экономические подходы, связанные с различными формами макроэкономического развития, учитывая индивидуальные национальные и политические особенности. Исследования в данной области необходимы, поскольку усиливается значение роли социально уровня обеспечения населения и экономического развития государства в целом, что значительно влияет на уровень жизни общества.*

***Ключевые слова:** экономические отношения, ведущие страны, социально-экономическая модель, развитие, общество, прогресс, доход.*