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## **INTERDEPENDENCE OF NATIONAL ECONOMIES AS THE MAIN FACTOR OF GLOBAL ECONOMY UNCERTAINTY ACCELERATION**

The world is becoming more complex and vulnerable. It turns out that for major disasters very few effort is needed. This is the behavior law of non-linear evolving systems. On the one hand it boosts vulnerability of modern civilization and enhances the effect of non-linear factors. From the other hand it enhances the responsibility of society before the future. Increasing interdependence of national economies seeks to strengthen the trend of civilization sustainability as it increases the number of civilizational factors amenable to management and control. But on the other hand it leads to the growth of instability of the system, as the system becomes more complex, dynamic and has signs of nonlinear internationalization.

Profound transformation of the world has acquired a galloping form. Global redistribution of property, changes in international division of labor, internationalization of science and technology, entrance of new economic actors, breakthrough in information and communication, globalization of finance, trade liberalization – all these features form “a new quality of universality”[1].

Such rapidly increasing interdependence begins to resemble a card castle by creating uncertainty and risk at any level of economic system.

Contemporary global society is a society of risk, dualism and ambiguity of any economic, social, political or technological development. From the first glance globalization gives government, business and individuals opportunities for self-realization. But from the second glance it undermines the very basics of decision-making process by new risks such as public crisis of confidence to the government, consumer boycotts against TNC's, protest movements of society that all together lead the global economy to the crisis of confidence and confronts its many unresolved issues.

New and more aggressive global economic environment poses problems to business of basic survival and simultaneously attracts with risky and ambitious prospects of global leadership. [2]

Let's consider in more details the main problems and challenges that define the formation of global uncertainty due to the internationalization growth process.

The main challenge of defining the growth of global uncertainty is the interdependence of national economies at the global level. As a result local economic fluctuations or crises in one country can have regional or even global consequences. This possibility is not just theoretical assumption, but is real and can be confirmed by the Asian financial crisis which began in 1997 in Thailand and then stroke the other countries in South-East Asia reaching up to South Korea. And of course the deepest crisis of 2008 that has transformed into a prolonged recession of almost all global economy.

The next problem is the heterogeneity of internationalization process. Confirmation of this statement is in different perception and evaluation of the processes

not only by scientists and experts but by citizens of different countries as well. Deepening internationalization often finds support in developed countries and is a matter of concerns in emerging countries. This is due to the fact that the advantages of this process are distributed unequally. Therefore one of the major issues is who will benefit from globalization. As noted earlier industrialized countries benefit more from globalization while developing countries have subordinate role. The main reason for this is the extra benefits for leaders that they receive due to post-industrial transformation of their national economies. At the same time the deployment of globalization in the case of contemporary state of labor division may freeze the current state of less developed countries of the so-called periphery that tend to become objects rather than subjects of globalization.

Unfair distribution of globalization benefits poses threat of conflicts at regional, national and international levels. There is no convergence or income equality, there is rather their polarization. Later the countries that show high growth rates will be within rich countries, and the poor countries will be falling further behind them. Neklessa, A.I. stated: "The result of the XX century is that it had tried the taste of abundance and consumer "golden age", the age of scientific and technological breakthroughs and intensity break of society's productive forces. The result is still not encouraging. On the threshold of the centuries the social stratification on the Earth is not decreasing but increasing". Describing the living conditions in the poor countries he says that "there are about a billion people cut off from productive labor: 150 million are unemployed, 700 million have part-time jobs, but a significant number is involved in criminal activity. Billions of people are illiterate (2/3 of them are women). Almost every third citizen still has no access to electricity, 1,5 billion have no access to clean drinking water. All this gives rise to social and political tensions. The number of immigrants and refugees swiftly rose from 8 million people in the late 1970's to 23 million by mid-1990. Another 26 million are temporary migrants". [3]

"Rather than destroy or weaken the inequalities integration of national economies on the contrary strengthens them and makes them in many ways more acute." Deepening of internationalization leads to a new model of the world. This is the world of the 20:80 proportions or the one-fifth society. That means that 80% of all resources are controlled by the so-called "golden billion" which covers one fifth of the world's population (including the USA and Western Europe that control 70% of the world's resources). Prosperous 20% of countries manage 84,7% of global GDP, their citizens have 85,5% savings in domestic accounts. Only 358 of billionaires own the same wealth as 2,5 billion people all together, that is nearly the half of world's population. [4]

As noted before, industrialized countries have had the greatest gain from deepening internationalization. They were able to reduce production costs and to focus on the production of the most profitable high-tech products, to transfer labor-intensive and polluting industries to the territories of developing countries. But industrialized countries may be affected by the process of globalization as well. It can increase unemployment rates, instability in the capital markets, etc.

Unequal distribution of globalization benefits can be seen not only in terms of different countries, but also in the context of economic sectors. Industries that benefit from foreign trade and are export-related have greater inflow of capital and skilled labor force. On the contrary there is large number of industries that are losing much because of globalization processes. They tend to lose competitive advantages due to the increase in market openness.

Such industries have to make extra effort to adapt to changing circumstances such as outflow of the capital and job cuts.

Serious challenge to the economic stability is the condition of international financial market. Nowadays corporate capital actually controls political life of modern developed countries. National states lose their roles as active agents in global world. There is a prevailing point of view stating that integration processes in the economy, globalization of financial markets lead to “erasing” of state boundaries, weakening their financial sovereignty. Increasing global integration of capital markets threatens economic policies of individual countries as well as foreign capital in the form of direct or portfolio investment carries a certain threat to the national economy due to the ability of disappearing from the country as quickly as they appear.

All mentioned challenges to global economy stability give rise to one of the biggest threats – the rise of unemployment. Among most frequently discussed social and political problems unemployment takes first place. The reasons for increasing unemployment rates in developed countries are the following:

- Introduction of new technologies that leads to job losses in the industry, increases social tensions;
- Changes in the structure of manufacturing and distribution of mass production of labor-intensive goods in developing countries, which heavily impacts local traditional sectors, leads to closure of many industrial ventures;
- Increase in labor mobility.

It is predicted that “in order to operate in the new century the global economy will need only 20% of population. No more labor is required. Fifth part of all job seekers will be enough to produce essential goods and provision of costly services that world community can afford to consume. These 20% in any country will be actively involved in live of global society, earn and consume. Perhaps you can add about 1% of those who for example will inherit their money. But those 80% who remain out of work will have huge problems. Economic and social shocks of unprecedented size are creeping...” [5]

In order to cope with social processes supranational control systems should be introduced. Negative aspects caused by global economy transformation can be diminished by the development of global cooperation on the basis of political agreement or creation of new international institutions. So far it can be said that the globalized world has become more chaotic than in the past for example during the Westphalia state-centric system.

By its nature the process of internationalization can be unambiguous. One source of controversy that it generates is big swing of potentials of individual participants. Unequal opportunities at the start that prevent distribution of roles plant the seeds of future conflict between the winners and losers.

Evolution of global economy in the second half of the XX century should be regarded as objective result of economic growth, immanent desire to maximize the positive effect of interaction factors in production of material goods by deepening labor division, specialization and internationalization of production, moving goods and capital to the geo-economic space. Accelerated post-industrial transformation against movement of worldwide giant flows of capital, goods, people and intensive exchange of information define the face of current state and dynamics of global economy. The consequence of these processes are increasing internationalization of productive forces, establishment of international

economic relation system, the formation of transnational mechanisms that govern economic relations between different countries. Under present conditions, practically no country can develop successfully out of the world economic system. Condition of national economies is determined not only by the internal potential, but also by the degree of participation in the international division of labor, global nature of scientific and technological progress.

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