

**Kosovych B. I., PhD in Economics,
Associate Professor**
*Ivan Franko National University of Lviv
Lviv, Ukraine*

DOI: <https://doi.org/10.30525/978-9934-26-125-1-6>

**HUMANIZATION OF THE ECONOMY
OF THE THIRD MILLENNIUM:
AN OBJECTIVE NECESSITY**

The Human Development Report 2020 [1] defines the modern period as a new geopolitical epoch – the Anthropocene era, i.e. the human epoch, and the main criterion for assessing the state of society is the human development index.

The UN report on human development [1, p. 5, 19] states that humanity has reached unprecedented heights over the past 100 years, bringing the planet to the brink of collapse. Climate change, rapid growth of inequality, a record number of people who have left their homes due to conflicts and crises. The Anthropocene

era presupposes great uncertainty for person and society, shocks and risks, which have formed a new reality. COVID-19, climate change, famine, natural disasters, irreversible regressive effects, growing inequality and social insecurity.

Natural resources are gradually depleted – oil, gas, water, forests, ocean resources and more. This is the reason for new races for Arctic minerals, fantastic projects, the development of Mars and other planets. The modern economy not only absorbs more and more natural values, but also causes more and more damage to nature. As a result, the climate threat, which is reflected annually in increasing fires, floods, droughts, etc. (as an example, large-scale downpours and floods in Germany, Belgium and Austria in mid-July 2021 can be mentioned, which resulted in more than 200 deaths and billions in losses). Natural ills have a negative impact on all spheres of public life, especially the economy. Not surprisingly, world leaders are increasingly talking about the green economy and its financing.

The future of civilization, as it becomes increasingly clear, depends on humanistically oriented regulation of social development processes and human-oriented socio-economic policy [2, p. 79].

The world is developing rapidly, striking all the new achievements. At the same time, there is a growing number of challenges, the international community faces, and the future of man and humanity depends on solving global problems. Global progress poses global risks that can only be addressed through joint efforts.

There has never been and obviously never will be absolute equality in the world. The idea of equality is utopian. Since each person's potential is individual, each society has its own history. Material inequality is determined by the basic principles: natural factors, social order, and so on. Thus, Indian society for centuries

has generally accepted caste division, which is based on the principle of inequality. However, it is the modern state, declaring itself a state of social democracy, that must minimize the gap between different social groups. Increasingly, at the level of politics, science and business, there is a thesis about the threat of a huge gap in the incomes of several people and society as a whole.

Environmental problems have a negative impact on the economy, but it should be noted that economic problems do not contribute to the protection of the natural environment. Thus, significant unemployment and the need to obtain livelihoods is one of the factors that causes mass deforestation or destruction of ecosystems for amber mining or irrational land use. The main direction of overcoming these Ukrainian problems is the ecologization of the economy in a broad sense.

The problem of labor resources and employment is multifaceted:

- in Ukraine there is a surplus of specialists with higher education and an insufficient number of skilled workers;
- a significant number of able-bodied population does not have adequate professional training to occupy the professions demanded by the market;
- due to low wages in the domestic sector of the economy, some able-bodied people work outside Ukraine, creating a staff shortage in the national labor market;
- the instability of the Ukrainian economy causes ultra-fast professional mobility, which is difficult for a significant part of potential employees.

An important role in overcoming this problem can be played itself by the entrepreneurship, which is characterized by the ability to involve a significant number of able-bodied people in active economic activity, an active use of hired labor, and operational development in crisis situations.

In our opinion, in Ukraine there are several ways to solve this problem:

- involvement of the poor, who are unable to compete in the labor market, in various forms of social entrepreneurship;
- formation of common interests of the employer and the employee through the formation of social partnership;
- combining the efforts of the state and business to implement important socially significant projects, thereby bringing society and business closer through the development of public-private partnerships.

The formation of economic patriotism is important for the Ukrainian economy. This is a multifaceted phenomenon, the significance of which can be convincingly illustrated by a simple example – if the domestic oligarchs invested the financial resources they constantly send to offshores into development of the national economy, Ukraine would be on the list of first, not third countries in the world. Doubtful about patriotism is the ruthless destruction of natural resources for profit.

The way out of this situation should be the formation of economic culture of all segments of Ukrainian society. An important component of this culture should be the ideological orientation of multifaceted economic activity – for person and society.

Analysis of the state of the domestic economy shows that in many areas, especially in industry, the resource arsenal is physically and morally obsolete, as it is known that only a few Ukrainian refineries operate. The production potential of those who are idle, in fact, remained at the level of the 90s of last century. It is impossible to be without an innovative breakthrough here.

As the world experience of, for example, China shows, it is investments and successful policy of the state in relations with

the investor that contribute to economic growth and, accordingly, to the provision of human material needs. Again, the example of China, if in the 90's to assess the level of wages of Chinese workers people used the phrase «only a Chinese can work all day for a bowl of cold rice», now wages in China do not lag behind the wages of neighboring resource-rich Russia, and the income of the average Chinese allows him to travel around the world.

That is why, when we talk about creating effective conditions for creating a human-oriented economy, it is necessary to talk about the formation of a system of political, legal, economic and ideological guarantees [3, p. 14].

The COVID-19 pandemic showed the weakness of the Ukrainian economy in terms of the existing system of material provision of health care: the national industry failed to resume production of artificial respirators, insufficient quantity of beds, research centers failed to create an effective vaccine, and so on. Medicine, neither in terms of resources nor personnel, was not ready for extreme situations.

The wave of threats humanity faces at the beginning of the third millennium has illustrated a simple truth – only countries with highly developed economies can overcome global problems or reduce their negative impact on person and society. Anthropocentrism in Ukraine is impossible without comprehensive economic growth based on the ideas of a new level of consciousness, aimed at establishing planetary life as the highest value, life built on the principles of spiritual revival.

References:

1. Human Development Report 2020. The next frontier Human development and the Anthropocene. *United nations development programme*. Available at: hdr.undp.org/en/content/human-development-report-2020 (accessed 2 July 2021).

2. Kosovych B. (2021) Modern society and ideas of humanism: the need for unity. *The XXII International Science Conference «Interaction of society and science: prospects and problems»*, April 20-23, London, England. Pp. 79–82. DOI: <https://doi.org/10.46299/ISG.2021.I.XXII>

3. Kosovych B. (2021) The humanization of modern entrepreneurship: the importance of guarantees. *Proceedings of the International Scientific and Practical Conference «Economics, Accounting, Management and Law: Strategic Priorities for Development in the Globalization»*, August 5, Poltava: CFEND, pp. 13–16.