

ABOUT NECESSITY OF TRANSITION TO ECONOMICS OF SUSTAINABILITY

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Currently, environmental, economic and social problems made mankind to understand its vulnerability to new age challenges such as worsening environmental condition, rejuvenation of disease victims and incidence rate, periodicity of economic crises, social disruptions etc.

In connection with the above facts, international-level proposals for negotiation of consequences of industrialization and economic growth "at any price" emerged. These proposals resulted in development of the economics of sustainability concept (it was introduced at World Summit in Rio de Janeiro in 1992). It was due to tendency of all the mankind to join forces to enable the environment for development to future generations.

However, these problems fell by the wayside due to the necessity of negotiation of consequences of the financial and economic crisis now. Thereby, long-range goals are substituted by short-range ones. The world crisis has multiple reasons and it gives a cross-light on long-range outlook. This situation must be used to review of basic ideas of modern economics to the transition to the economics of sustainability.

Basic universal laws must be use in analysis of economic processes to integral assessment of opportunities for development of social and economic systems. First of all, it is necessary to consider the economics as open system with its inherent functions and continuous interaction with the environment [1]. It means that in management decision making, it is necessary to assess its environmental consequences because it indirectly affects people living environment, various funds state, and frequency of man-caused and natural catastrophes.

Thus, social and economic system developing within natural-resources potential of Earth is the open stationary system. It obeys to general rules of functioning and development of such systems therefore base of balanced social and economic development management must be built up in consideration of these rules [2].

According to generally recognized definition, sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It is necessary to use feed-forward and feedback mechanism for that.

It is possible to use the feed-forward mechanisms as well as the feedback ones regarding the social and economic system. The first ones are designed to reduce environmental load from the social systems. Along with the negative feedback mechanisms, positive feedback mechanisms must obtain universal circulation. They involve alteration of homeostasis of the social and economic systems (decrease in material consumption and power intensity of production systems with simultaneous increase in their capacity for meeting the needs of population). It can be only in increase in information component of industrial processes. All of the foregoing is due to the transition to innovative development with following application of cost-saving technologies, increase in standard of knowledge and qualification of labor resources.

At that, consideration must be given to some degree of uncertainty in social and economic processes. It is important to pay careful attention to entropy of the system and consider the possibility of self-organization and self-development in the analysis of endogenous factors and internal environment as a whole.

Thus, the analysis of endogenous growth factors and developing conditions of synergy effect is currently backbone of the economics of sustainability. Just the endogenous factors and environment-oriented intensive external factors allow qualitative growth of world economics and transition to the sustainable development.

References

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