General Principles and Priorities of Economic Providing of Sustainable Development: Realities and Directions of Improvement

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Abstract* – *Author shown the model of the structural transformation on the basis of the analysis the aspects development of progress towards sustainable in many areas of economy. Its focus is not only on methods of promoting sustainable development and structural change but also on improving the economical potential. The reseach objective of the current research is to measure and analyze the key points for increasing the efficiency of the economical system development in Ukraine and to identify the economic and institutional grounds for sustainable development. The result of researche is the identifying of some points of the developing countries and of the countries with economical transformations.

Keywords – sustainable development, sustainable development goals, economic growth, innovation system, globalization, innovation.

I. Introduction

If the world is to eradicate poverty, address climate change and build peaceful, inclusive societies for all, greater efforts are needed to accelerate progress on the Sustainable Development Goals (SDGs). In the process of the transformation of Ukrainian economical system the structural aspect of sustainable development is becoming very important. It is shown by changes in quantity and quality in economy. Innovation is believed to be the fundamental source of significant wealth generation within an economy. The two ways to increase economic output within an economy are to increase the number of inputs in the productive process, or think of new ways to get more output from the same number of inputs. The latter is the essence of what is broadly meant by innovation, which is defined as the introduction of new or significantly improved products (goods or services), processes, organizational methods, and marketing methods in internal business practices or the marketplace. An important feature of an innovation ecosystem is that the resources available to the knowledge economy are coupled to the resources generated by the commercial economy, usually as some fraction of the profits in the commercial economy. Another feature is that the ecosystem is usually strategically developed around a specific technology. The usage of the main points of these theories and practical experience can transform the researches of economical systems into the new multi-science level with the aim of increasing resource support for economical capacity building worldwide.

II. The main research matherial

Using the most recent data available, the annual SDGs report provides an overview of the world's implementation efforts to date, highlighting areas of progress and areas of economy. While considerable progress has been made over the past decade across all areas of development, the pace of progress observed in previous years is insufficient to fully meet the Sustainable Development Goals (SDGs) and targets by 2030. Giving people in every part of the world the support they need to lift themselves out of poverty in all its manifestations is the very essence of sustainable development. Ending poverty in all its forms everywhere focuses on ending poverty through interrelated strategies, including the promotion of social protection systems, decent employment and building the resilience of the poor. Number of people living in extreme poverty fell significantly. Proportion of vulnerable populations covered by social protection systems is still low [11].

While nearly a billion people have escaped extreme poverty since 1999, about 767 million people remained destitute in 2013, most of whom live in fragile situations. Despite major advances, an alarmingly high number of children under age five are still affected by malnutrition. In 2016, an estimated 155 million children under five years of age were stunted. Between 2000 and 2015, the global maternal mortality ratio declined by 37 per cent and the under-five mortality rate fell by 44 per cent. However, 303,000 women died during pregnancy or childbirth and 5.9 million children under age five died worldwide in 2015. In the area of sustainable energy, while access to clean fuels and technologies for cooking climbed to 57 per cent in 2014, up from 50 per cent in 2000, more than 3 billion people, lacked access to clean cooking fuels and technologies, which led to an estimated 4.3 million deaths in 2012. From 2015 to 2016, official development assistance rose by 8.9 per cent in real terms to $142.6 billion, reaching a new peak. But bilateral aid to the least developing countries fell by 3.9 per cent in real term. Progress is uneven. The benefits of development are not equally shared. On average, women spent almost triple the amount of time on unpaid domestic and care work as men, based on data from 2010 to 2016. Economic losses from natural hazards are now reaching an average of $250 billion to $300 billion a year, with a disproportionate impact on small and vulnerable countries. Despite the global unemployment rate falling from 6.1 per cent in 2010 to 5.7 per cent in 2016, youth were nearly three times more likely than adults to be without a job. In 2015, 85 per cent of the urban population used safely managed drinking water services, compared to only 55 per cent of rural population. Empowering vulnerable groups is critical to ending poverty and promoting prosperity [12]. But more than 100 countries do not accurately count births and deaths. The births of nearly one in four children under the age of 5 worldwide have never been recorded. Only 13 per cent of countries have a dedicated gender statistics budget. Seventy-seven out of 155 countries monitored do not

have adequate poverty data, although there have been clear improvements in the last decade [13].

Over the years the Global Innovation Index (GII) has measured the innovation capacity of nations across the world and presented a comparative analysis to help in understanding the variation in national competencies. The findings of the last five years of GII rankings in its innovation input and output pillars demonstrate that certain countries are consistently doing better than their peers in the same income and region categories [7]. Two high profile examples of focused ecosystems are the Department of Energy's Innovation Ecosystem Development Initiative which is focused on speeding up the adoption of energy innovations and the European Innovation Initiative's Digital Ecosystem technologies. These national level strategic initiatives are just two examples; clearly innovation ecosystems can be structured around almost any subject matter. The Engineering Research Centers (ERC) program at the National Science Foundation is an example of smaller scale innovation ecosystems developed to push selected technology niches which are centered on transformative engineering systems. This program, originated more than 25 years ago within the NSF's Engineering Directorate has been very effective at initiating and maturing ecosystems that are stable enough for the Engineering Research Centers to continue operating after NSF funding sunsets at the end of 10 years. The current success rate for graduated Engineering Research Centers is 82% [8]. The rise of "micro-multinationals" – start-ups which operate across high- and low-cost locations, delivering to an international customer base – exemplifies the opportunities wrought by globalization, digital communications and the internet. The challenges for business leaders and policymakers are to empower such opportunities for entrepreneurs and to foster domestic and international innovation ecosystems, while mitigating an increasingly dysfunctional global labor market [9]. The global labor market is undergoing massive structural changes that will have potentially far-reaching implications for the workforces of the future. The structure of the economy can be analyzed according to the production and according to the dividing, exchange and consuming of the product from the point of view of the enterprises, branches, regions and others agricultural elements; separate structure-building factors and processes. In such conditions the industrial structure of the economy characterizes the comparativeness of investments from different industries in the creation of the GDP; the restrictive structure – is the turnover of the production factors; technological – comparativeness functionalized different technologies etc. The researches of the branch structure of the economy of different countries of the world in 2013 shows that the main sphere in the developed countries is the sphere of services, which provides the growth of the economy because of the growth of the workforce and the economy of the natural resources.

The type of work people across the world are doing is shifting. While agriculture still dominates in emerging markets such as India and Nigeria and manufacturing has taken hold in slightly more advanced economies such as China, the proliferation of the service sectors in developed economies such as the US, the UK and France (accounting for almost 80% of GDP in each) stands in stark contrast [9]. However, as the International Labor Organization (ILO) considers a person to be employed if they have worked at least one hour in 'gainful' employment in the most recent week, such figures could considerably underestimate the underemployment rate in many countries. Mature economies where economic growth has been less robust are also dealing with growing ageing populations – making them top-heavy and producing fewer young people to replace the generations who are approaching retirement or are already retired. France and the UK have the highest proportion of over-65s in their population (of the eight countries examined), whereas in fast-growing countries such as Nigeria and Brazil those aged over 65 account for a significantly smaller share – less than half that of France and the UK. This poses a problem, and identifies a potential opportunity for fast-growing countries; their economies are not maximizing the young and dynamic population available to the workforce, as demonstrated by the low labor participation rates [10]. Foreign Direct Investment Confidence Index, which assesses likely foreign investment decisions by global business leaders, finds that investors are readily looking past emerging countries that boast low labor costs in favor of developed countries that are committed to – and can demonstrably show – continuous innovation. In fact, three-quarters of the top investment destinations are still developed economies. Although multiple factors are involved in this superior innovation performance, policy presents a major differentiating factor in the majority of cases [7].

The result of his researches is the identifying of some points of the developing countries and of the countries with economical transformations.

Firstly, it is the fundamental research of the structure including the general economy, industrial economy and institutional.

Secondly, the growing investment is seen as a necessary but not only condition of the economical growth and development.

On the basis of the differences between the countries in the internal and external factors of the sustainable development there is a substantial differentiation between the developing countries and the countries with the transformation of the economy in the conditions of the economical growth [2]. The structure of the economy can be analyzed according to the production and according to the dividing, exchange and consuming of the product from the point of view of the enterprises, branches, regions and others agricultural elements; separate structure-building factors and processes. In such conditions the industrial structure of the economy characterizes the comparativeness of investments from different industries in the creation of the GDP; the restrictive structure – is the turnover of the production factors; technological – comparativeness functionalized different technologies etc. The researches of the branch structure of the economy of different countries of the world in 2013

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A fundamental human need—access to nutritious, healthy food—and the means by which it can be sustainably secured for everyone. Tackling hunger cannot be addressed solely by increasing food production. Well-functioning markets, increased incomes for smallholder farmers, equal access to technology and land, and additional investments all play a role in creating a vibrant and productive agricultural sector that builds food security. Investing in agriculture is widely recognized as one of the most effective ways to alleviate poverty, improve food security and reduce hunger and malnutrition. However, both foreign and domestic official investment in agriculture has been declining. The share of aid to agriculture in sector-allocable aid from member countries of the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD-DAC) has fallen from nearly 20 per cent in the mid-1980s to only 7 per cent in 2015. It has remained at this level since the late 1990s, reflecting a shift away from the financing of infrastructure and production towards a greater focus on social sectors. Government spending on agriculture has not been proportional to the sector's share of gross domestic product (GDP) either. The global agriculture orientation index—defined as agriculture's share of government expenditures divided by the sector's GDP—fell from 0.38 in 2001 to 0.24 in 2013 and to 0.21 in 2015 [11].

Sustainable development is a branch of economics which deals with economic aspects of the development process in low-income countries. Its focus is not only on methods of promoting economic growth and structural change but also on improving the potential for the mass of the population, for example, through health and education and workplace conditions, whether through public or private channels [1]. Development economics involves the creation of theories and methods that aid in the determination of policies and practices and can be implemented at either the domestic or international level [2]. This may involve restructuring market incentives or using mathematical methods like inter-temporal optimization for project analysis, or it may involve a mixture of quantitative and qualitative methods [3].

Last year, the global statistical community laid the groundwork for successful monitoring and realization of the 2030 Agenda, with the UN Statistical Commission's inter-agency and expert group agreeing on 230 individual indicators to monitor the Agenda's numerous goals and targets. Covering the economic, demographic, social, trade, environment and energy areas – is facing an enormous task of responding to an unprecedented demand for high quality, timely and disaggregated data [13].

Effectively tracking progress on the SDGs requires accessible, reliable, timely and disaggregated data at all levels, which poses a major challenge to national and international statistical systems [12].

Conclusion

So, the choice of the ways of the innovation systems development in Ukraine needs the researches in the domestic practice of the systemic economical transformations, detailed study of the way of world development, generalization of the world experience in the adaptation in the industrially developed countries to the reality of the modern world market. The main hypothesis of the structural transformations theory is the development is followed by the growth and different changes that are equal to all countries. But there are some differences between the countries in the speed and forms of the development connected with several specific factors: the natural resources, the area of the country, aims, the ways of the governmental politics, access to the foreign investments and technologies, the external condition of the country. The tools of the modulation are the modern econometric methods.

The mechanism of the sustainable development in the agriculture is motivated now. These two types of the economical development comply with two different functions of the investments.

Goal Ending hunger, achieve food security and improved nutrition and promote sustainable agriculture – addresses a fundamental human need—access to nutritious, healthy food, and the means by which it can be sustainably secured for everyone. Tackling hunger cannot be addressed by increasing food production alone. Well-functioning markets, increased incomes for smallholder farmers, equal access to technology and land, and additional investments all play a role in creating a vibrant and productive agricultural sector that builds food security. Sustainable agriculture, along with investments to improve agricultural productivity and enhance food security, are key to ending hunger and lifting millions of people, including small-scale farmers, out of extreme poverty. Improving farm productivity, increasing the value added in agriculture, and integrating markets are all important strategies. The role of infrastructure and technology in this regard cannot be overstated. Transportation infrastructure, for instance, can connect farmers with existing markets and create new ones. Where poverty rates are still very high air travel and freight transportation are very limited. Information and communication technologies can help farmers connect with buyers, transfer money and acquire valuable information, including about weather conditions and market prices [11].

The process of the structural transformation according to this model is the self-based growth in employment, which is going on till all extra workforces in agriculture will transform into the production industry. On this stage there is a balance between the industry and agriculture, the structural economical transformation ends, the main resource of the local national product creates in production, the other factors of economical growth start working. They are connected with the scientific and technological, modern management, marketing, IT achievements. Development economics involves the creation of theories and methods that aid in the determination of policies and practices and can be implemented at either the

domestic or international level, which also aims to create partnerships and initiatives that harness for the public good and for the implementation of the new global development goals.

Foreign Direct Investment Confidence Index, which assesses likely foreign investment decisions by global business leaders, finds that investors are readily looking past emerging countries that boast low labor costs in favor of developed countries that are committed to – and can demonstrably show – continuous innovation. In fact, three-quarters of the top investment destinations are still developed economies. Although multiple factors are involved in this superior innovation performance, policy presents a major differentiating factor in the majority of cases [7]. Increasingly, public-private partnerships are enabling the use of big data and other non-traditional data sources in policymaking by mainstreaming their use in official statistics. This is made possible through various institutional arrangements, including in-house production of statistics by data providers, direct transfer of private data to end users, the transfer of private data to a trusted third party and the outsourcing of certain functions. It is crucial that national statistical offices, supported by international organizations, continue to advance the design and implementation of incentives and business models that encourage effective partnerships for improving the availability and quality of data for sustainable development [11].

In many areas, inclusive development strategies are the commonly accepted paradigm. Examples include drinking water, electricity and other basic services, where ensuring universal access is often an overarching objective and is now reflected in the SDGs. However, whether strategies succeed in reaching those left behind depend on many factors, from country-specific circumstances to their design, targeting methods and practical implementation. Available evaluations from different SDG areas all suggest that there are significant practical challenges in effectively reaching those left behind. Many criteria can be used to identify those left behind, whether within a country or between countries. Many SDG goals and targets directly relate to leaving no one behind and refer to specific objectives and actions as well as groups (of countries or people) that should be the object of sustained attention in this regard. This is particularly the case with goals that were within the scope of the Millennium Development Goals (MDGs), including poverty, gender, education, health, and means of implementation. In those areas, considerations of inclusiveness in a broad sense have long been part of the main development discourse and practice, and actions and policies to address this dimension have become part of the standard development apparatus [14].

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