

**Macroeconomics**

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**SCALING AND EFFECTS
OF SOCIO-CULTURAL GLOBALIZATION****Abstract**

In today's context, accelerating the pace of change in the global business environment, standard planning methods, management, and asset allocation methods have become obsolete. The paper analyses transformational impact of globalisation on social and cultural spheres of human life. It is noted that at the present stage of world economy development, mankind enters the era of a new economic paradigm – the knowledge economy, which transforms not only the business landscape in general, but also changes the classical perception of national culture and society.

The social and cultural factors are important for effective positioning of the national economies in the global arena, which provides ongoing evaluation and improvement, ensuring the effective use of both.

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Introduction

Comprehensiveness of technological, political and economic globalism, based on ultra-fast socio-cultural globalization is the main basis for the creation of the global individual who, regardless of location, economic development and social status, perceives, analyses and uses the information obtained in a single system in which national and cultural affiliation are neglected.

Globalization of culture is a process of integration of individual national cultures into a single world culture based on the development of economic relations and means of communication. The globalization of culture in the modern world is a dialectically controversial process in which tendencies of integration and differentiation, conflicts and cooperation, universalization and of particularization do not eliminate one another, but are mutually foreseeable development trends. The globalization of culture and its contradictions can be considered in two dimensions: on the scale of society, as well as on the scale of the system of societies.

Considering the problems of globalization of culture in the first dimension, it must be remembered that the culture of any society is a complex system, the elements (subsystems) of which are traditional and innovative cultural forms, subcultures of various social communities, groups, ethnic groups, religious denominations, etc. Under conditions of globalization, innovative cultural forms are usually the product of the influence of the countries-leaders, which impose their cultural norms and patterns on less developed countries. All socio-cultural elements of the society are united into a single system based on the values that are universally important for a given society, which represent a certain foundation on which cultural diversity is based. The most important consolidating principles of society, which unite their subjects into a single socio-cultural organism, are: the unity of their history, economic life, common psychologic identity, language, reli-

gious and moral values, etc. Common values are intrinsic for different socio-cultural systems. These dozens of common features, the properties of different nations cultures, ethnic groups, which allow us to conclude that the culture of humanity is globalized, have been called cultural universals by G. Murdock.

In addition to certain features of unity, between elements of the socio-cultural system, as well as between cultures, there are certain differences that during the interacting with subjects in the process of globalization can acquire different states: from integration (interpenetration) to conflict. The most typical kinds of conflict in the field of culture under globalization are: the conflict between traditional and innovative forms of its development, cultural anomie (Durkheim, 1991, p. 34), cultural trauma (Herasina, Pohribna, Polishchuk, 2015, pp. 375-376), cultural shock (Herasina et al., 2015, pp. 376-378), cultural lag or gap (Erasov, 1997, pp. 42-52), inter-civilizational (inter-sociocultural) conflicts (Huntington, 1994, pp. 33-48), etc. .

The positive features of cultural globalization include: 1) increasing the availability of common cultural values; 2) cultural consolidation (also a negative factor); 3) overcoming of the global cultural contradictions and confrontations.

Cultural globalization has several negative factors: deidentification of a person; unification of values, increasing influence of mass culture; planting strange cultural ideologies; the creation of internal conflicts and the differentiation between different social and cultural entities; cultural impoverishment of large masses of the population; eliminating the diversity of cultures, creating one sample culture.

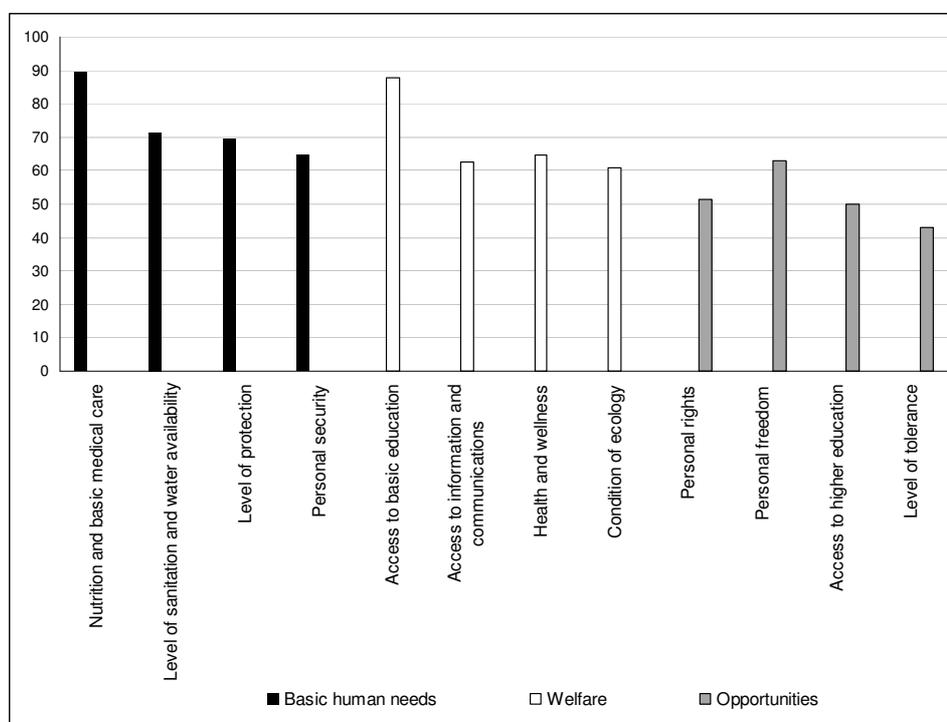
Modern society with implementation in all spheres of life of ICT is hyper-social, where the main source of development are global information networks. What can be understood as a subsystem in the global socio-cultural system, where the processes of receiving, storing and disseminating information are networked. That is, the creation of an entirely new form of socialness in which the socio-cultural potential is based and oriented towards the development of Western civilization.

The social development of a country and the world depend on the value of many indicators incorporated into the Social Progress Index (SPI) and reflect the real picture of the life of the population. The value of the SPI – the average value of indicators of three dimensions: basic human needs, foundations of wellbeing and opportunities based on indicators of social and environmental spheres.

The global average of the SPI is 64,85 (between Indonesia and Botswana). Dimension «Basic human needs» equals 73.8, «Foundations of wellbeing» – 68.69, «Opportunities» – 51.85 (Fig. 1).

Fig. 1

Global average components' values of the SPI in 2017



Source: developed by the authors on the data of SPI 2017. Executive summary.

The data of the SPI for 2017 in the global dimension depict an increase in restrictions on personal rights, which has continued limits on free expression and political participation and increasingly restricted free speech and dissent (Turkey, Thailand, Hungary, Brazil, Poland).

Most of the largest declines and improvements in Personal Safety are among countries in Latin America and the Caribbean, where homicide rates far exceed any other part of the world. Examining longer-term data over the past decade, we have found that Honduras has seen the most dramatic increase in homicides since 2009 – from 44.5 in 2006 to most recently 74.6 deaths per 100,000 people, far higher than the next largest increases. In Panama, Mexico, and Bolivia, the homicide rate has increased by more than 6 people per 100,000 to rates between 12.4 and 17.4 per 100,000 overall.

An assessment of the level of tolerance (considering the interests of all citizens), based on the degree of tolerance for migrants, religious minorities and homosexuals, varies widely from the stable improvement in some European countries to absolute non-perception in Arab countries.

The average GDP per capita in the world indicates the potential for rapid social development compared to state-of-the-art. The most acute threat to mankind remains problem of drinking water supply and improvement of sanitary conditions, availability of basic knowledge and, therefore, literacy of the adult population.

The index of social development in 2017 has increased in the countries of Costa Rica, Kyrgyzstan, Moldova, Nepal, Senegal, Chile, at the expense of an effective policy aimed at social development.

Angola, Saudi Arabia, Central African Republic, Chad, Kuwait, Afghanistan are considered as countries with an ineffective mechanism of social development.

Table 1

Countries with the highest and lowest indicators of the World SPI in 2017

Region	Rank	Country	SPI Value	Region	Rank	Country	SPI Value
Europe	1	Denmark	90.57	Africa	122	Yemen	43.46
	2	Finland	90.53		123	Guinea	43.40
	3	Iceland	90.27		124	Nigeria	42.97
	4	Norway	90.27		125	Angola	40.73
	5	Switzerland	90.10		126	Chad	35.69
North America	6	Canada	89.84	Asia	127	Afghanistan	35.66
Europe	7	Netherlands	89.82	Africa	128	Central African Republic	28.38

Source: developed by the authors on the data of SPI 2017. Executive summary.

The development of humanity over the past 25 years has shown impressive results: an increase in average life expectancy, an increase in numbers of schoolchildren and people who have access to basic social benefits. This is pri-

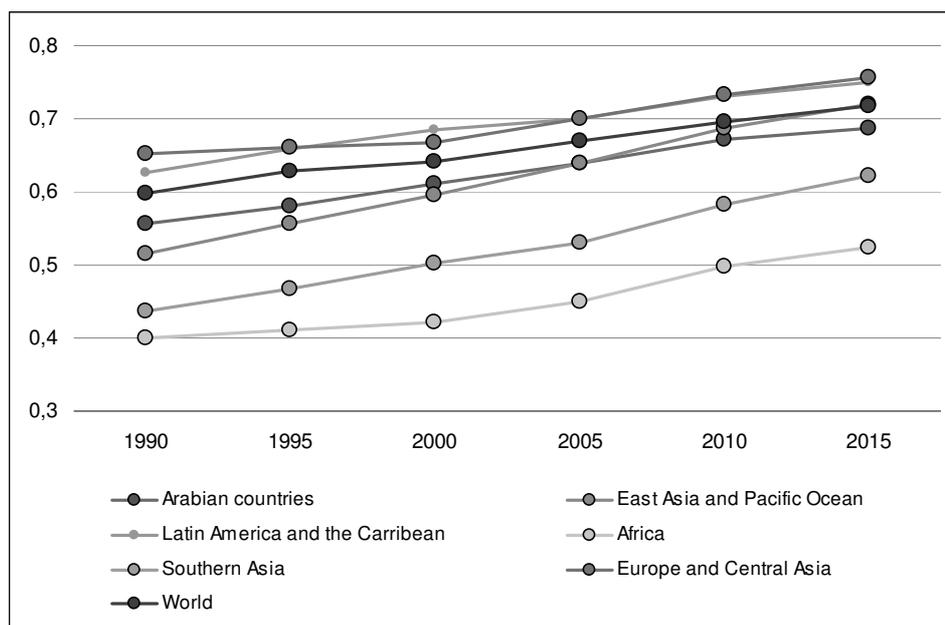
marily a manifestation of the impact of globalization and, therefore, the integration of markets, labour and the digital revolution, in the context of the growing concentration of economic and political power in developing countries. Therefore, it is the person who must influence all the processes that shape their way of life and the economic growth of one or another country is just one of the factors.

The Combined Human Development Index (HDI) reflects three major dimensions of human development: life expectancy – a measure of longevity and health; middle school years – the indicator of acquired knowledge; GNI per capita – an opportunity to achieve a decent standard of living.

Let us note the presence of convergent evolution among regions of the world according to the data of Fig. 2. In the regions with the lowest rate of HDI in 1990, overall improvements occurred over the next 25 years. This result is obtained not only through the upper limit of HDI (for example, literacy level), but also according to the convergence of indicators that have no upper limit: expected life expectancy, income.

Fig. 2

Regional Dynamics of the HDI in 1990-2015



Source: developed by the authors on the data of UNESCO Institute for Statistics (2017)

We state that in the period from 1990 to 2015, the world's population increased from 5.3 billion in 1990 to 7.3 billion in 2015, more than 1 billion people were rescued from extreme poverty, 2.1 billion were granted access to the best sanitary conditions, and 2.6 billion have access to drinking water supply. The overall mortality rate for children under the age of 5 years declined twice from 91 for 1,000 live births in 1990 to 43 in 2015. Also, the number of patients with HIV, malaria and tuberculosis has decreased. Indicators over the past 25 years indicate the potential for fundamental changes, especially in the previously economic underdeveloped regions.

Table 2

HDI in 1990-2015

Regions	HDI 1990	HDI 2015	Average annual growth of HDI, %			
			1990- 2000	2000- 2010	2010- 2015	1990- 2015
Arab countries	0.556	0.687	0.96	0.95	0.45	0.85
East Asia and the Pacific	0.516	0.720	1.45	1.45	0.92	1.35
Europe and Central Asia	0.652	0.756	0.23	0.95	0.63	0.59
Latin America and the Carib- bean	0.626	0.751	0.92	0.63	0.58	0.74
South Asia	0.438	0.621	1.38	1.51	1.25	1.40
Africa	0.399	0.523	0.54	1.67	1.04	1.09
World	0.597	0.717	0.71	0.82	0.61	0.74

Source: developed by the authors on the data of Human Development Report 2016: Human Development for Everyone

Nevertheless, despite significant human development, negative facts should be noted: one of nine people in the world is hungry, and one of three suffers from malnutrition. Every minute 11 children die under 1-year age (including 45% due to poor nutrition), and 35 mothers die during childbirth in the world every hour. 18,000 people die in the world every day due to the high level of air pollution. A new challenge for the globalized world has become AIDS – the number of HIV positive persons is increasing by 2 million people each year, and the

Ebola and Zika virus diseases orphaned about 20 thousand children. Conflicts, violent extremism, natural disasters are the global issues as well.

The technological revolution has accelerated the pace of socio-cultural globalization due to penetration of the Internet all around the world. Quick access to information through the Internet, communication with like-minded people, regardless of distance in social networks, reading of the international press on-line, access to music and cinema premieres are factors of socio-cultural globalization.

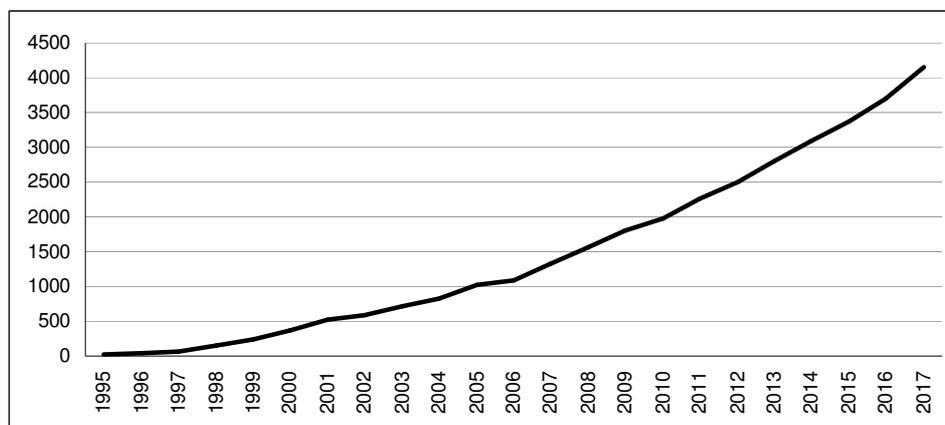
In particular, the main indicator for as globalization as the socio-cultural sphere is access to the Internet, a worldwide explosion of information over the past two decades radically changed the lives of people in the age of 35+ and raise a new generation for which a single state society is only a part of the international community (fig. 3).

So, Herbert Marshall McLuhan's «Global Village» has become a worldwide dimension for the Globe and is a universal source of information for the millions of people.

The fig. 3 depicts that in the period 1995-2017 the number of Internet users in the world increased in 259.8 times (from 16 million in 1995 to 4,157 million in 2017), and the share of Internet users to the general population of the world – 0,4% in 1995 and 54,4% in 2017.

Fig. 3

Number of Internet users in the world in 1995-2017, million



Source: developed by the authors on the data of Internet World Stats (2018)

As for the analysis of the number of Internet users in the world by regions by the end of 2017, the highest value is observed in Asia – 2,023 million users of 4,207 million inhabitants of this region, considering the level of penetration of the Internet – 48.1%, which is lower than the world average by 6.3%. The growth rate of Internet users in the period from 2000 to 2018 is 1,670%. Indicators also depend on the location of countries in the region such as China, India, which has significantly increased development figures over the last decade and have a leading position in terms of population (table 3).

Table 3

Internet users number estimation in the world

Регіони світу	Population (UN estimation 2018), million	Share of the world's, %	Internet users' number in 2017, million	Share of Internet users, %	Internet penetration, %	Change 2000/2018, %
Africa	1,287.9	16.9	4,533.3	10.9	35.2	9941
Asia	4,207.6	55.1	2,023.6	48.7	48.1	1670
Europe	827.7	10.8	704.8	17.0	85.2	570
Latin America / Caribbean	652.0	8.5	437.0	10.5	67.0	2318
Middle East	254.4	3.3	164.1	3.9	64.5	4893
North America	363.8	4.8	345.7	8.3	95.0	219
Oceania / Australia	41.2	0.6	28.4	0.7	68.9	273
Total	7,634.7	100.0	4,156.9	100.0	54.4	–

Source: developed by the authors on the data of Internet World Stats (2018)

Europe is the second largest region in the world with the number of Internet users of 704.8 million people, with 827.7 million inhabitants in the region, and the level of Internet penetration is 85.2%. The number of Internet users in North America is 345.7 million out of 363.8 million inhabitants of the region with the highest value of the Internet penetration rate by regions of the world – 95%, be-

cause North America and Europe are regions with a high growth rate of Internet users in 2000-2018 – 219% and 570% respectively.

Developed countries of Europe and North America, which undoubtedly are leaders in terms of economic and social development, are also in the cutting edge of the degree of innovation and information technology implementation. On the one hand, these countries have increased the ability to implement technologies, but on the other – the process of their dissemination and integration is still problematic. This is a major cause of uneven distribution of resources among the regions of the world.

Global informatization as a technological basis for the activation of global processes in all regions of the world not only provides access to all categories of modern society members to its information resources, but also involve them to participate in information exchanges, to the mass development of information. Modern information technologies contribute to the growth of social activity of members of society. This activity is expressed today in the realization of opportunities for self-expression, exchange of social experience, activities focused at personal development and progressive development of society (Onyshchenko, Horovyi, Popyk et al. 2013).

The following conclusions can be drawn based on the analysis of the scale and effects of socio-cultural globalization.

Even though the phenomenon of globalization has been manifested since the 1950's, the humanity has become conscious only in the 1980's about its socio-cultural dimension. We can include some global indices to the methodological toolkit of socio-cultural globalization assessment, the analysis of which allowed us to make the conclusions:

- according to the SPI, the developed countries have the highest rates, as well as the Asian developing countries. The countries of Africa, Latin America and transitional economies are showing lower figures than the world's average, which not only indicates a low level of social infrastructure development, but also the existence of restrictions on human rights and security constraints in these countries;
- according to the HDI, the countries of Africa and South Asia traditionally have lower values, although there are tendencies to increase the indicator in these countries. This reflects insufficient access to medical services, hunger, poor drinking water supply – all these are the basic human needs, the inability to access which is a key question for the overall level of global society development;
- the impact of the scientific and technological revolution on the dynamics of globalization processes in general and on their socio-cultural component is in the penetration of the Internet and TV into human life,

language unification, speed-up of data exchange, which lead to the acceleration of social and economic processes;

- the degree of influence of socio-cultural globalization on the country depend on its economic development level, the most integrated countries in the global socio-cultural space are developed ones, which is quite expected, because they are drivers of globalism. During developing countries analysis, some of them (mainly Asian countries) go to a new level not only in terms of social security and integration into the global environment, but also able to form a new civilizational paradigm based on economic, technological and social leadership.

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