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# ECONOMIC FACTORS OF THE WORLD SOCIAL PROCESSES

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Abstract. The work analyzes the causes of the global systemic crisis. Management of a society existing in an aggressive environment is centralized and planned, including the centralized and planned economy. The structure of society on the principle of its formation is oligarchic. The establishment of society controls all social processes, including the processes of distribution in the economy. The principles of distribution in the market are subjective contractual in nature, which opens up the possibility of abuse. Disproportions in the distribution system led to the inhibition of scientific and technological progress. Currently, the leadership in the world elite passes to the technical elite, which determines the level of human development. It sets the task of accelerating the pace of scientific and technological development of mankind. The role of the remaining elites becomes official. The threat of loss of privileges caused resistance to the programs being implemented.

**Keywords:** the global system crisis, the oligarchic structure of society, the economy, technical development, the change of leadership in the world elite.

#### INTRODUCTION

Currently, the world is in a systemic crisis, which indicates a crisis in the system of elites governing the world. The purpose of this work is to make an attempt to systematically understand the causes of the crisis and trends aimed at overcoming it.

### BASIC PRINCIPLES OF SOCIAL ANALYSIS

The stability of society in an aggressive environment depends on how effective is solution for two main tasks: providing objects for life and protection from objects that threaten people's lives. The survival of society as a whole is impossible without common goals and plans for their implementation. Thus, the solution of the main problems of any society involves the centralization of management and planning of social activities. And these principles do not depend on the specifics of the social structure.

Any social group, including society, is grouped around an active core of group norms and values [3]. Historically, this core has always tended to close down with the formation of a stable ruling group that

organizes and controls all social processes, including economic ones. Thus, the structure of any society is oligarchic. Democracy is possible only within an oligarchic group.

Within the social core professional groups are formed: scientific and technical, industrial, financial, political, administrative and military elites with appropriate professional technologies. The criterion of belonging to the elite is the possession of professional secrets and social secrets. The dynamics of social processes is mainly determined by the relations of these elites within the control core.

### PRINCIPLE OF ECONOMICS

The economy as the most important social system, which solves the problem of guaranteed provision of society with everything necessary, has always been a key system of society. Human evolution follows the path of human-machine symbiosis. Biologically man has not changed much. Human biological mutations gave way to" mutations " of technical means. As a result, the technical infrastructure of man has changed dramatically, ensuring his dominance in the world. This infrastructure

is the result of creative activity of people. With the increasing role of infrastructure, the social role of the economy is steadily increasing.

In the oligarchic society, the management of the economy is centralized oligarchic in nature. Thus, any economy is centralized and planned. Planned capitalist economy was opposed to the same planned socialist economy. The only difference is in the structure of the governing elites. The elite of the USSR was built on the basis of the theocratic order model, and the capitalist – on the ancient oligarchic model.

The core of any economy is the cycle of production and distribution of products consumed or used by the population. Production is the same in all systems. The only difference between economies is in the way they are distributed. In the modern economy, the market is the main method of distribution, while maintaining direct cashless distribution. Direct distribution is used within critical social systems: production, military, and management systems of society. In extreme conditions of war or natural disasters, direct distribution becomes basic and market auxiliary.

The principles of real economy differ from the principles of liberalism declared in economic theory. In any system, the degree of freedom of the elements is limited. In society, people are also limited in their behavior. Similarly, there cannot be complete freedom of enterprise in a centrally planned system. The reality is that the interests of each entrepreneur are subordinated to the common interests of the whole.

There is no freedom in a market economy. The market is tightly controlled by the establishment. The "free" market is regulated by a variety of controllers: legal control, administrative control (licensing), tax control, financial control, investment control, information control (openness of information about the state of enterprises), power control (force as an economic factor), criminal control.

In the oligarchic society, the management of the economy is inevitably oligarchic in nature. Oligopoly, as a way of economic dominance in all sectors of the economy of several large corporations-is a standard way of managing the economy of developed countries. The coordination of a small number of large companies allows the allocation of quotas for the bulk of production and control of prices. There is no competition at this level. A lot of medium and small companies are forced to operate in the economic conditions formed by large corporations.

Since large industrial corporations are the core of the economy, their bankruptcy leads to serious consequences. Therefore, in almost all critical cases, they are provided with budgetary support for administrative and political elites. As rightly noted in [4] this is not market management methods.

In a centralized planning system as in a single social organism there is no place for competition. What is served under the guise of competition is a reservation, a standard technical means of ensuring the efficiency and reliability of the system. The parallelization of research and development between different teams is not a competition, but a common way to improve the effectiveness of these studies. The reservation of production is a common way of improving the reliability of output. If, for any reason, the functioning of one of the enterprises deteriorates, its function can be assumed by others, having the appropriate reserves of production capacity. Because of the above, the reason for the prohibition of monopolies is clear. The reliability of the system is more important than the profits of individual representatives of the business elite.

## **DISTRIBUTION PRINCIPLES**

The most important principle of economic management is the principle of private property, based on the recognized right of the Creator to dispose of his product.

The problem is that any modern product is of a social nature, because the long technological chain of manufacturing modern complex products require the participation of many people in its creation. The contribution of previous generations in the form of accumulated technical solutions, materials and equipment is also great in this product. Because of this, in the USSR and

other socialist countries, the entire product was declared as public, but the principles of its distribution were determined by the party elite.

In a capitalist system based on" natural law", the principle of private ownership is maintained, allowing business owners to dispose of the product. In particular determining the price of the product. In such circumstances, in order to ensure the stability of the market system, it had to form the principles of fair distribution of profits between the owners of enterprises directly or indirectly involved in the production of products (ethical principle of acceptable rate of return).

The main instrument of market distribution is money, declared as a universal measure of the value of work of people and things. But in reality, money is not a measure. There is neither an objective unit of measurement nor an objective valuation procedure. As a result, pricing is based on a social contract, largely imposed by the elite on the whole society. All prices on the market are negotiable. The criterion of price is the availability of this type of product to the relevant population group. Accordingly, the work of people is evaluated. The main function of money, as well as cards of direct distribution accounting. Distribution requires accurate accounting of goods and their consumers. Problems of accounting, the accumulation of unrecorded and shadow economy, lead to failures of the market system.

Since the economy is a means of guaranteeing the security of people, in the case of the inability of citizens to provide for themselves in a market system, the practice of various subsidies is quite widespread in society. Basic needs for food, health and education are subsidized by society. Agriculture-subsidized industry in all developed countries, which ensures the availability of food to all categories of the population. In critical situations society refuses to market and money transfers and all direct rationing, "subsidizes" all.

The contractual principle of distribution of social benefits opens up the possibility of abuse of their privileged position of social elites.

#### SOCIAL DYNAMICS

In different periods of history, the leading positions within the establishment were held by various elites. In modern times, the leader is the industrial elite. In the context of elective administrative and political elites, their activities have become official. The same service was the activity of hired power elites.

In turn, the industrial elite is also heterogeneous. Within the industrial elite, there are three groups with different functions: managers, financiers, engineers and technologists. The leading role in the technical evolution of society is played by engineers and technologists who create new technical systems and organize the process of their production. A new technical world, created by them, changed humanity. The role of managers and financiers in the production system is purely official. The function of management - ensuring the continuity of the production process, and the function of financiers - financial control of the enterprise.

The main problems of the modern economy of developed countries is that servants have become leaders. The dictatorship of management in corporations is well shown in [2]. The financial sector has become the most prestigious. The supervisors assumed the function of economic management. Money has become the "blood of the economy". There was an illusion that only money is an incentive for development. Investment giants have subdued almost all large industrial corporations. The level of financial speculation has risen sharply. Money began to"make out of thin air". The amount of money in the speculative "gambling" business is several times higher than the needs of the real economy.

The wage gap between top managers and workers in the production sector has been growing steadily. Top managers began to receive hundreds of times more skilled workers. Primitive usurious technology began to bring in more revenue than creative activities. As a result of the increase in the level of income in the financial sector, the prestige of the financial elite has significantly increased [1, 4]. There was a gradual

outflow of personnel from the industry. The professions of engineer, technologist and skilled worker became low-prestige. As a result, the pace of civilization development began to slow down. The prospect of the loss of leadership by developed countries became increasingly real. In the USSR, where the role of the leading elite was appropriated by party functionaries, there were similar processes.

The degradation of developed countries scared part of the world elite, which took a course to overcome the negative factors. Currently, the only contender for the role of a leader in the elite of society remained the technical elite, the carriers of technical secrets. Technical means allowed to make open information in all other social spheres. Political, administrative and corporate economic information became open, the banking system became transparent, there were no military secrets in the conditions of effective technical control. As a result, the activities of almost all other elites begins

to be subordinate to the official character. It is the goals of the technical elite aimed at accelerating the pace of development of civilization that determine the dynamics of social processes in the modern world.

Technical elites who have been given the task of re-industrialization of society and the rejection of the ideology of "consumer society", which became a brake in the civilizational development. Technical means allowed them to begin gradual reduction of number of other elite. Computerization of management allowed to reduce the number of management personnel in the social, corporate and financial spheres. The implementation of the program to reduce the number of management personnel in all areas is now presented as an "attack on the middle class". Naturally, the programs implemented by the technical elites caused a natural resistance of a significant part of the elites, losing their privileges. The conflict that is shaking the whole world.

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