

Systemic Determinants of Modern Gravitational Processes in the Geo-Economic Space

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ABSTRACT. From the compositional point of view, research on this topic has revealed two main directions: (1) an analysis of global development asymmetry that has activated gravitational processes in geo-economic space; and (2) a direction that focuses on the profound study of the causes for heterogeneity in geo-economic space and divergence in global development under the influence of gravitational factors of nature on the endogenous-exogenous axis. Systemic determinants of gravitational processes are revealed in geo-economic space and the asymmetry of global activate ravitational processes in geo-economic space are observed, and methodological interconnectedness coinfluence of two complementary determinants of global development – convergence and divergence and the contradiction between them are examined, which at the same time underlie the inevitable internal contradictions of the process, creating conditions for further configuration of the «new globalization community», which is built on the principles of nonlinear dynamics and logic gravitational processes in geo-economic space. Taking into account the relevant uncertainties, the attention is focused on the isolation of several myths around which the debate that has important methodological significance in the context of the current global inter-system transformations is held. Geostrategic matrix divergence of global development is produced, which is based on techniques which incorporated cluster analysis that are built on linguistic variables and integrated analysis of the key trends of country and global development geostrategic position of Ukraine in geo-economic space in the projection on the issues of global inter-system transformations is outlined. It is proved that the level of gravity load increases in the deepening of the global asymmetries, and that the current global transformation is not yet complete, and polycentric new architecture geospace is not formed. In the near future we should expect the growth of gravitational processes in geo-economic space under the influence of fragmentation in information technology development countries, worsening energy problems, strengthening of the environmental risks and disasters, adverse trends sociodemographic. The divergence of global development will be strengthened as institutional «failure» and socio-cultural constraints. These aspects should be the subject of research and theoretical basis for the formation of new approaches to global development.

KEYWORDS. Convergence, divergence, global development, geo-economic space, gravitation processes, gravitation centers, convergence clubs, geospace fragmentation, global development asymmetries.

* This article was translated from its original in Ukrainian.

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Introduction

The global development retrospective indicates that at the turn of every last century there appeared an euphoria of amazing with the projects of a perfect social order, around which the excitement grew, but it faded later with the advent of a new era. The end of the 20th — beginning of the 21st century was no exception. It was marked by dynamic economic progress, resulting in a more interconnected, but at the same time more fragmented, asymmetric world. While the interdependence of the world requires more stability and convergence, the growing asymmetry causes it dissipativity and divergence. At the similar turning points, the world ideally tends to stability, but it is clear that we must not succumb to illusions about its real achievement. As the experience shows, balance and convergence (in their orthodox sense), which have become an “illusory dream”, an “idea fix” of the 20th century, suffered destruction the end of the right first decade of the 21st century. The increasing divergence was marked by visionary conclusion perceived as a fate, «...the world is not an equilibrium: this world will be in a state of *continuous changes and imbalances*», *P. Bernstein*.²

The past century, during which there was a historical transition from industrialism to post-industrial era, ended in geopolitical faults, which have shown the whole world how «fragile the global equilibrium is and how quickly it can be destroyed...» (*P. Bobkov*).³ Paradoxically, in the era of globalization, the world has become less safe than in the periods of its limitation. This syndrome will be difficult to overcome, because more actors came to the forefront, the lines of conflict have become less clear, and their essence is less transparent (*V. Inozemtsev*).⁴ There is a need for deep understanding of the essence of the processes occurring in the global-centric world, and the radically important questions appear on the agenda, i.e. why has the modern world become less predictable and balanced than it was during the confrontation of polar geopolitical systems? Why has the international community witnessed the growth of rate and aggravation of monetary and financial crises, significant structure fluctuations, price shocks on world markets and global currency volatility? How important is the gravitational influence of global processes on national development of individual countries and regions today? What fundamentally new global threats and challenges will the

² *Bernstein P.* Fundamentalные ideas of the world of finance: Evolution / Peter Bernstein; Translated from English. — M.: Alpina Business Books, 2009. — P. 227. [In Russian].

³ *Bobkov P.* Globalization and problems of the mankind / Pavel Mikhailovich Bobkov // Annals of Chelyabinsk State University. — 2007. — No. 16 (94). — P. 22-31. — P. 22. — [Electronic resource]. — Access mode: <http://www.lib.csu.ru/vch/094/21.pdf> [In Russian].

⁴ *Inozemtsev V.L.* At the turn of the era. Economic trends and their non-economic consequences / V.L. Inozemtsev. — M.: Economy Publicshign House CJSC, 2003. — 520 p. [In Russian].

world face in the third millennium? Nevertheless, to which architecture of the new world order does the humanity walk?

These questions have no clear answer. Instead, there is a rather lively discussion and debate on the formation of fundamentally new foundations and construction of new «fundamental pillars» of the modern global development paradigm.

An important contribution to the study of fundamental issues of modern global transformations was made by Western scholars, Z. Bauman⁵, D. Bell⁶, I. Wallerstein⁷, M. Castells⁸, J. Rosenau⁹, A. Toffler¹⁰, F. Fukuyama¹¹ and Russian scientists, V. Inozemtsev¹², E. Kochetov¹³, M. Cheshkova^{14,15}, and Y. Yakovets¹⁶. In recent years, the issue of convergence and global inequalities, the problems of imbalance and asymmetry of global economic development have been addressed in the writings of foreign scholars, i.e. S. Amin,¹⁷ H. Berry, M. Gillen, A. Hendi¹⁸, N. Birdsall¹⁹, R. Wade²⁰, B. Goesling, G. Firebaugh²¹, R. Korzeniewicz,

⁵ *Bauman Z.* Individualized society / Z. Bauman; Translated from English. ed. by V.L. Inozemtseva. — M.: Logos Publishing House, 2002. — 390 p. [In Russian].

⁶ *Bell D.* Industrial society of the future. Experience of social prediction / D. Bell. Translated from English. Ed. by V.L. Inozemtseva. — M.: Academy, 1999. — 956 pp. [In Russian].

⁷ *Wallerstein I.* End of the known world: sociology of the twenty-first century / Immanuel Wallerstein; Translated from English. Ed. by V.L. Inozemtsev; Center of postindustrial society research. — M.: Logos, 2003. — 368 p. [In Russian].

⁸ *Castells M.* Information era: economy, society and culture / M. Castells. — Translated from English. Scientific editor O.I. Shkaratan. — M.: GU VSHÉ, 2000. — 608 p. [In Russian].

⁹ *Rosenau J.* Turbulence in global politics / James N. Rosenau. [Electronic resource]. — Access mode: <https://docs.google.com/viewer?a=v&q=cache:poQCs1fHD8J:srl.narod.ru/rozenauturbulent.nost.doc>. [In Russian].

¹⁰ *Toffler E.* Shock of the future / E. Toffler. — M.: AST, 2001. — P. 560. [Electronic resource]. — Access mode: http://www.gumer.info/bibliotek_Buks/Culture/Toff_Shok/index.php. [In Russian].

¹¹ *Fukuyama F.* End of history and the last man / Francis Fukuyama; Translated from English by M.B. Levin. — M.: AST Publishing House, 2004. — 592 p. [In Russian].

¹² *Bell D., Inozemtsev V.* Era of divergence: reflections on the 21st century world / D. Bell, V. Inozemtsev. — M.: Center for postindustrial society studies, 2007. — 304 p. [In Russian].

¹³ *Kochetov E.G.* Geoeconomics. Mastering of the global economic space / E.G. Kochetov. — M.: Norma, 2006. — 528 p. [In Russian].

¹⁴ *Cheshkov M.* Revival of the East and developing countries in the global context / Marat Cheshkov // Global economy and international relations. — 2007. — No. 11. — P. 69-80. [In Russian].

¹⁵ *Cheshkov M.* World as a differentiated whole / Marat Cheshkov // Global economy and international relations. — 2006. — No. 7. — P. 60-72. [In Russian].

¹⁶ *Yakovets V.* Global economic transformations of the twenty-first century / V. Yakovets. — M.: Economics, 2011. — 384 p. [In Russian].

¹⁷ *Amin S.* Economic Globalism and Political Universalism: Conflicting Issues? / Samir Amin // Journal of world-systems research. Special Issue: Festschrift for Immanuel Wallerstein — Part II., Vi, 3, fall / winter 2000, p. 582-622. — [Electronic resource]. — Access mode: <http://jwsr.ucr.edu>.

¹⁸ *Berry H., Guillén M., Hendi A.* Is the world becoming smaller? Globalization and convergence across countries / Heather Berry, Mauro F. Guillén, Arun S. Hendi // February 2012. — [Electronic resource]. — Access mode: <http://www.sas.upenn.edu/~hendias/research.html>.

¹⁹ *Berdsoll N.* Gaining of inequality in the new global economy / Nancy Berdsoll // Economic issues. — 2006. — No. 4. — P. 84-89. [In Russian].

²⁰ *Wade R.* Hunter Inequality and globalization: comment on Firebaugh and Gosling / Robert Wade // eScholarship Repository, 2006. — [Electronic resource]. — Access mode: <http://repositories.cdlib.org/cgirs/CGIRS-2004-10>.

²¹ *Firebaugh G., Goesling B.* Accounting for the Recent Decline in Global Income Inequality / G. Firebaugh, B. Goesling // American Journal of Sociology. — 2004. — September. — Number 2 (110). — P. 283-312. — [Electronic resource]. — Access mode: <http://ucAtlas.ucsc.edu>.

T. Moran²², M. Spence²³, and Ukrainian scientists, A. Halchynskiy²⁴, D. Lukyanenko²⁵, Y. Stoliarchuk²⁶ and others. However, the so-called «gravitational processes» occurring in the geo-economic space and accompanied by destruction of vertical and hierarchical linearly determined systems and their heterogenization remain without proper attention. The analysis in this paper is made from the standpoint of issues lying in the plane of the relevant global intersystem transformations.

The basis of this study is a *hypothesis* that the level of gravitational load increases as the global development asymmetries deepen. In this context, the following methodological structure singled out: the global development asymmetries intensify the gravitational processes in the geo-economic space; they become the cause of its heterogenization and divergence of the global development under the influence of endogenous and exogenous gravitational factors. In view of the above, the *objective of this article* provides for coverage of systemic determinants of gravitational processes in the geo-economic space, building of a geostrategic matrix of global development divergence, evaluation of geostrategic positioning of Ukraine in the geo-economic space with an implication on issues of the global intersystem transformations.

Geo-Economic Space Gravitational Process Determinants

Conceptually, this study is focused on one of the key but still most controversial issues in methodology of the modern intersystem transformations, i.e. *systemic uncertainty of the «global development divergence – convergence» ratio*. There are ambiguous opinions on this issue. According to one of them (the orthodox conservative one), divergence, given the etymological reference (from the Latin *divergere* – deviate, diverge) is seen as the opposite of convergence (from Latin *convergentio* – converge, approach). Based on the etymological reference, we can probably say the «divergence» term is used in economics to reflect the quantitative dynamics of trend divergence (the growing gap between the levels of development of individual countries, deviations of

²² Korzeniewicz R., Moran T. World Inequality in the Twenty-First Century: Patterns and Tendencies / Roberto Patricio Korzeniewicz, Timothy Patrick Moran // Chapter forthcoming in *The Blackwell Companion to Globalization*, edited by George Ritzer. Oxford: Blackwell Publishers, 2006.

²³ Spence M. Next convergence: future of the economic growth in the world living at different paces / Michael Spence. Translated from English by A. Kalinin; ed. by A. Filatocheva. — M.: Publishing House of Gaidar's Institute, 2013. — 336 p. [In Russian].

²⁴ Halchynskiy A. Economic methodology. Update logic, K.: ADEF-Ukraine, 2010. — 572 p. [In Ukrainian].

²⁵ Lukianenko D. Global financial imbalances and their macroeconomic consequences / D. Lukianenko, A. Poruchnyk, Y. Stolyarchuk // *Journal of the European economy*. — 2010. — Volume 9 (1). — P. 73-92. [In Ukrainian]; Lukianenko D., Mozghovyi O. Financial and investment asymmetry of global economic development / D. Lukianenko, O. Mozghovyi // *Securities market of Ukraine*. — 2006. — No. 11-12. — P. 3-4. [In Ukrainian].

²⁶ Stoliarchuk Y.M. Global asymmetries of economic development: Monograph / Y.M. Stolyarchuk. — K.: KNEU, 2009. — 302 p. [In Ukrainian].

macroeconomic indicators from the average in the region or in an integrated unity) and deepening of the qualitative differences between national models of the economy, their individual structures and mechanisms. In the area of foreign policy, the divergence must logically be identified with an increasing heterogeneity of institutional, political, social, cultural, ideological and other forms of international relations, which usually leads to sophistication of existing and appearance of new systems of such relations.

According to a different position, convergence and divergence are two complementary determinants of global development, and the conflict between them is characterized by inevitable internal contradictions of this process. In this context, the idea of convergence (rather than divergence) is key for argumentation and interpretation of *integration*, *internationalization* and *globalization* processes. Integration and globalization of the world economy led to the prevalence of the idea of convergence as the process of gradual approach of various economic systems and attraction of a larger number of countries in the general direction of world civilization on this basis. Accordingly, the scientific discourse, prevailing today, attributes such a complementary unity to globalization and convergence that it is almost impossible to separate them; globalization is considered an essential determinant of convergence, and the latter is treated as a logical consequence of globalization. However, we'd like to present only one quote making a significant adjustment to the ratio of the main objects of this study. «The real world is a combination and interaction of heterogeneous substances. This is the basis of its power, and it will always remain like that. Its system integrity, which will further be asserted naturally, will be developed based not on the principles of unification and vertical subordination of its subjects, but on the principles of decentralization, strengthening the priority of horizontal articulation of the global space, its heterogenization» (A. Halchynskyyi)²⁷. It goes about the prospects of a «new multiformat, varied, non-hierarchical, asymmetrical globalization community», in terms of which there is a «significant sophistication of relevant interdependencies and, thus, there is a subordination of these interdependencies to the «logic of complex dissipative systems»²⁸, developed based on non-linear dynamics and logic of gravitational processes in the geo-economic space. In this context, the facts and empirical reality clearly proves that dozens of countries for many reasons (because of irregularity of the structural factors of economic development, asynchronous cyclical development of the countries and integration associations; differentiation of their socio-economic, institutional, political, socio-cultural patterns

²⁷ Halchynskyyi A. Economic methodology. Update logic, K.: ADEF-Ukraine, 2010. — P. 325, 333. [In Ukrainian].

²⁸ Ibid. — P. 326

etc.) are not willing to adapt to the imperatives of global development. As a result, the gap between them and global leaders is increased, geospace stratification and deep marginalization of the global development outsiders is conserved, and all this leads to sophistication of the existing system of geopolitical and geo-economic relations, conflict of interests of heterogeneous economic, political and social agents and heterogeneous actors of the world economy, which is a convincing evidence of the global development divergence.

Myths on the Current Global Intersystem Transformations

Focusing on the corresponding uncertainty, it is appropriate to single out a few myths (popular theses), the debate on which has important methodological value in the context of the current global intersystem transformations.

Myth one: «Globalization and unification are the defining determinants of global development». The modern world, on the one hand, is gradually and objectively transformed into a space of global interaction of all its components, and on the other, despite the growing trend towards synchronization of economic cycles, the peculiarities of reproduction processes of individual countries and their groupings is preserved. There is a layering of the traditional structure of geospace of new institutions and relationships, new forms of cooperation and competition, partnership and mutual confrontation, consensus and aggravation of conflict. The current global crisis has exacerbated these trends, having put the *issue of global development divergence* on the agenda. While if the pre-crisis period the reminder of this was a sign of anti-globalism and myopic pessimism, that in recent years the phrases like «the decline of globalization», «economic nationalism and protectionism are a new reality» transgress the traditional notions of global economic development, as well as the principles and laws, which should become its basic foundation in the near future. In this context, the issues of global development duality are highlighted once again; on the one hand, we have a traditional system of strengthened relations between the states according to the principles of international relations on traditional diplomacy fundamentals, protection of national interests and national sovereignty, and on the other, no less relevant is the idea of a «transnational global world», in which the sovereignty of the nation-state is gradually narrowed, and the economic and political decisions on certain vital issues are often made in view of global trends.

In this context, there are more questions than projected answers. Can the Western model of democracy respond effectively to the challenges of the new historical realities in the world where only 15% of countries

pass the test for full compliance with the principles of civil society democratization, and more than 50% practice an authoritarian (including hybrid) mode of government? The sacramental questions on the Anglo-Saxon model of market economy and the values, principles and attitudes shaping its social and philosophical, moral and ethical basis, become even more pressing. In this context, the global crisis has dispelled the mythology of the very symbol of globalization, Washington Consensus, the postulates and principles of which were the basis for the thesis on globalization era, the triumph of the free market and total limitation of state intervention in the economy. Paradoxically, we must recognize that traditional economic theories and models, which have been demonstrating their adequacy to everyday realities of the market economy and the ability to offer the required vectors and tools to address the most difficult problems for decades, demonstrated their inadequacy in the current global crisis. Instead, the so-called Beijing Consensus is gaining popularity. It is based on the postulates of state economy regulation, priority of national interests and national sovereignty. So what models and priorities will determine the main vectors of global development in the 21st century? This is one of the key issues on the agenda.

Myth two: «Globalization is the path towards convergence and unipolar world.» While change in the global development trends in the 2000s', in terms of the increasing global processes, contributed to convergence of socio-economic models to some extent, generally, no significant unification of national institutions determining the nature of economic and social systems of countries and regions has occurred.

Consequently, the current global crisis manner openly and convincingly demonstrated a rapid self-destruction of the idea of unipolar world, and steady destruction of the foreign policy concepts implicitly built on the idea of «economic and military superiority of the West over the rest of the world,» which further reaffirmed *the issue of asymmetry and polycentric nature of the global development*. It primarily refers to a marked shift of the world economic development vector towards developing countries (and, in particular, an obvious reallocation of geopolitical and geo-economic influence, wealth and economic potential to the East and South-East Asia and Latin America). The most advanced of these countries become the members of the «convergence clubs» of industrialized countries. Right now, along with «old» ones, i.e. US, Japan, Western Europe (or rather, its historic core), the «new gravity fields» in the global economy and politics are formed around China, India, Brazil, Russia, and Mexico. Together, these countries will form the «higher league» in geopolitics and geo-economics in the near future. Still, the regional leaders, a kind of a «second tier» of geopolitics and geo-economics, became apparent. These are the Republic of Korea, Tur-

key, Indonesia, Saudi Arabia, United Arab Emirates and some other states, rapidly expanding their economic and military-political power. There is a tendency towards intensification of geo-economic activity of small countries having a strong scientific, technical and financial potential.

However, the following questions still remain open: What are the prospects for expanding the «higher league» of the world economy? When and on what scientific and technological basis will it happen? Will the «second tier» countries become the «cornerstones of regional stability and democratization of the world order»? Only one thing is apparent; their strategic positioning in geospace becomes an integral determinant of the global development divergence.

Myth three: «Globalization in its pro-Western version will undergo an inversion». Developing the concept of a polycentric geospace, we have to recognize that at the current stage of global transformations, the redistribution of the world gross domestic product and diffusion of economic power and wealth is accelerated. Consequently, the countries of «non-Western world» turned into the new active actors of the world economy and politics. In this context, the traditional industrial division of countries into the so-called «three worlds», and the very concept of the Third World, gradually began to lose sense. In the context of unprecedented change of the qualitative and quantitative composition of the global development leaders, globalization in its pro-Western version gradually began to experience a kind of inversion. However, amid these optimistic forecasts, the fact that at the beginning of the 21st century (the so-called “postindustrialism” era), more than 1 billion people (1/6 of the world's population) live (according to the UN) in slums, is regarded ambiguously. In quantitative terms, the leaders by this indicator are Asia — 60%; Africa- 20%, and Latin America 14%. This is still a pressing problem for the countries being the «old gravity centers» where 54 million people (6%) live in slums.

Given the above, we must recognize that «the whole self-deception about the «new world order» was actually a Faustian agreement between East and West. It allowed the Eastern economies to get out of the Third World «on the shoulders» of western consumers and infrastructure development, and thus allowed the Western consumers to maintain unrealistic wages and living standards from Wall Street and Detroit to Stuttgart. It also led to the unheard, since the First World War, concentration of wealth among the world's industrial and financial titans».²⁹ Paradoxically, only the outer shell and forms of global inequality are changing actually, while the fundamentals of the «architec-

²⁹ *Hajiyev K.* Global economic crisis in the mirror of sociocultural and politico-cultural transformations / Kamaludyn Serazhudynovych Hajiyev // *Global economy and international relations.* — 2010. — No. 8. — P. 27. [In Russian].

tural design» of the global financial pyramid (in terms of laws and proportions of the world gross domestic product redistribution and diffusion of economic power and wealth) remain unchanged. Its top is formed by the global financial oligarchy without a clearly defined «residence»; the middle tier is developed economies, the so-called «center of the international market system» (*J. Soros*) and, finally, the lowest level are the economies of the so-called «periphery of global capitalism.» The architectural design of the global financial pyramid is a convincing evidence that the global-centric economy does not follow the principles of equivalence and fair international exchange and redistribution, but rather the principle of property polarization of the global society.

So, there is an open question, what concepts must replace the three «global projects» of S. Amin³⁰ to restore the positive dynamics of the mankind evolution? Until the answer to this fundamental question is found, we should not expect to build a «new world order» (it will maintain the “20th century idea fix” status).

Myth four: «Marginalization of states in geospace is a consequence of globalization». Against the background of optimistic rhetoric on totality of convergence, under the reliable guise of populism and sophistry on globalization benefits, *the phenomenon of marginalization of the countries in the global development*, which are often assigned the status of «*fallidos*» (loser countries in the Hispanic area) (known in historical and evolutionary retrospect) still remains unresolved. However, the problem of their backwardness is not caused by globalization (as it is often interpret), but by the fact that the «global» waves of globalization typically do not reach their socio-economic panel; they remain a «marginalized ascent» of not only globalized post-industrial society, but also an undisclosed (a kind of «*terra incognita*») theme of the modern comparative studies. Due to the lack of structural factors of economic growth, they have different means of survival, from trade in domain names (Tuvalu, the Federated States of Micronesia), mass emigration and export commodity flows (Cape Verde, Kiribati, Comoros), and shelter of illegal immigrants (Nauru) to creation of offshore zones (Vanuatu, Dominica, Samoa) and the tourism industry (Antigua and Barbuda, Barbados, Saint Kitts and Nevis).

Geostrategic Matrix of Global Development Divergence

Since the 21st century, the humankind witnessed a «sharp turn» in geopolitical and geo-economic relations, which led to *misbalance on a global scale* and certainly affected the dynamics of economic relations

³⁰ It goes about the «state of common welfare» — the West, «Bandung project» — developing countries, «capitalism without capitalists» — the world of socialism.

internationalization. This turn of historical significance, without exaggeration, is characterized by a fundamental systemic transformation of economic, political, socio-cultural and, in general, inter-civilizational interaction. The number of states, the so-called «gravity centers», is increased, some of which are permanently moving towards the status of geostrategic global and regional leaders, expanding their influence, including through the traditional leaders of the Western world. In the Asian region, the actions of these countries started building a «private club» of economic and political cooperation, a private system of diplomatic institutions and «platforms for political dialogue.» This results in formation of a multipolar world, and the role of the new gravity centers in world politics and global rental redistribution is increased (Fig. 1).

What are the criterion signs of a new geo-economic space configuration? To answer this question, we turn to the analysis of geostrategic matrix of global development divergence (Fig. 1). The basic idea of its construction is to reveal the systemic determinants of gravitational processes in the geo-economic space, leading to the nonlinear dynamics of global development, through the multidimensional and multilevel geospace asymmetry; to outline the regions which will become the most dynamic in the future, to show how the process of global economic wealth redistribution and diffusion of economic power between «old» and «new» gravity centers will occur, and to focus on global development asymmetry issues. The methodology of geostrategic matrix construction is based on a cluster analysis of linguistic variables and an integrated analysis of the key trends and global development of country in a wide range of sociodemographic, social, economic, energy and technological, geopolitical, socio-cultural and institutional aspects. Therefore, the grouping of countries into «convergence clubs» was conducted, in this case, not only because of their economic or civilizational closeness, but also in view of the level of economic wealth and economic freedom of a man, their greater or lesser propensity to the risks of global imbalances, social and geopolitical shocks³¹.

Particular attention should be paid to the convergence clubs located in the plane of the «adaptation syndrome» vector field (Fig. 1 shows a diagonal matrix from the lower left to the upper right corner). They are marginal and the most dynamic gravity fields in terms of geospatial positioning. These are the so-called «wandering internationalized nuclei» (*E. Kochetov*)³² in the geospace, which can lose their geostrategic position in the case of insufficient development of «adaptation syndrome».

³¹ *Kravchuk N.Y.* Global development divergence: modern paradigm of geo-financial space formation / Natalia Kravchuk. — K.: Knowledge, 2012. — P. 156 — 244. [In Ukrainian].

³² *Kochetov E. G.* Geo-economics. Mastering of the global economic space / E.G. Kochetov. — M.: Norma, 2006. — P. 121-124. [In Russian].

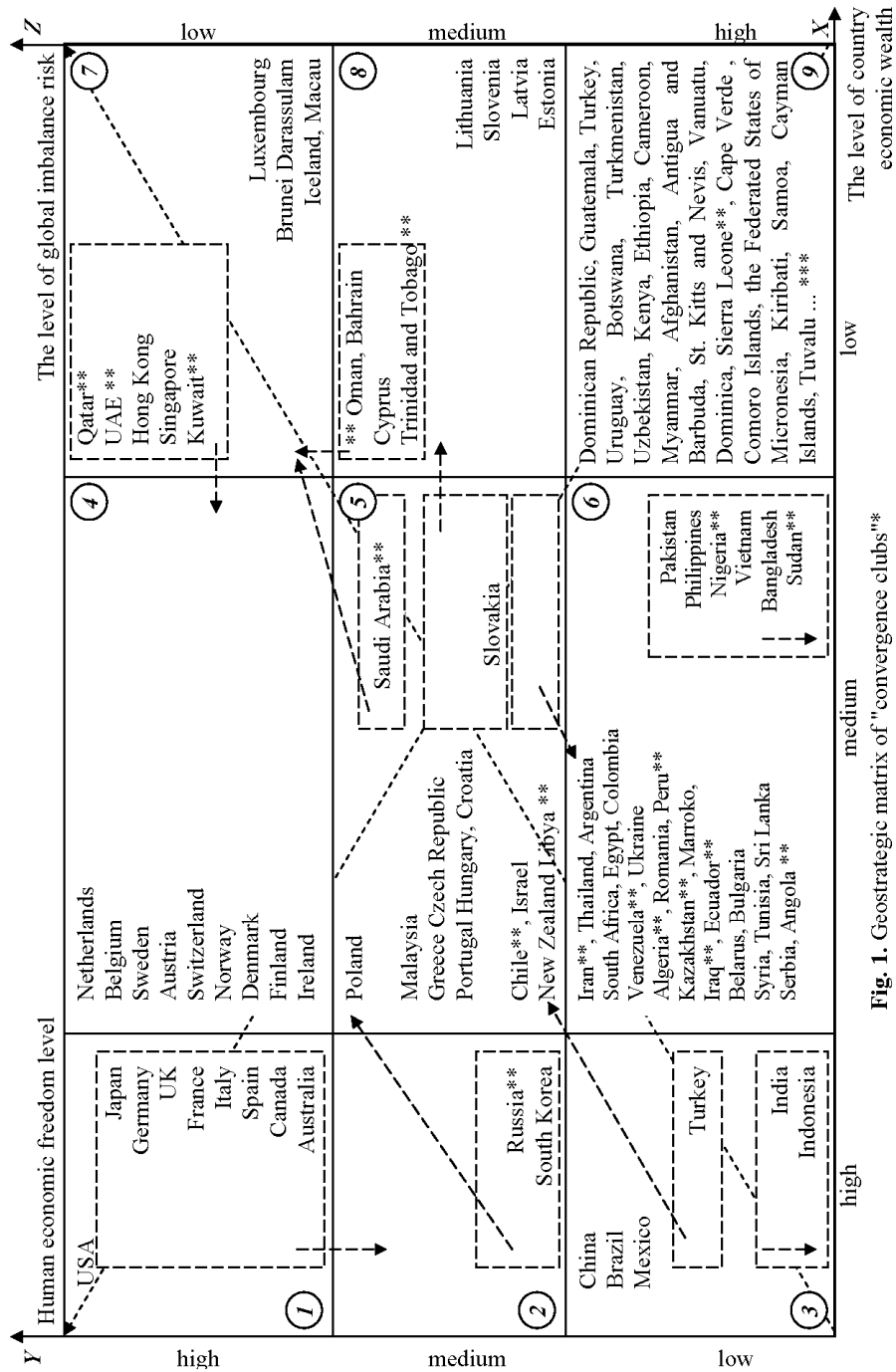


Fig. 1. Geostrategic matrix of "convergence clubs"

* Developed by the author.
 ** The countries exporting commodities and/or fuel are marked.
 *** Complete listing of the 9th cluster countries [see 3, p. 708 - 713].

This diagonal contains four largest economies in the world under a well-known BRIC acronym — Brazil, Russia, India, China, as well as the rapidly growing economies of Mexico, Turkey, Indonesia, Republic of Korea, which have the potential of becoming the «new gravity centers of global economic development,» or at least the premises to take this place. The countries located on this diagonal, occupying 9% of the territory with 47.3% population, generate 38.3% of the world GDP and concentrate 30.2% of the world financial capacity. In the international division of labor, almost all countries of these gravity fields tend towards industrial and investment cooperation, expansion of cooperation supplies within international structures of not internationalized, but network nature. Due to creation of the global and regional value added chains, these countries are closely linked with the markets of the “old gravity centers”, the US and Western Europe, and therefore are very prone to asymmetric shocks and structural fluctuations in these markets.

«Convergence clubs» located under the diagonal consolidate 18 countries with a total area of 6% and a population of almost 11%; they account for 47.5% of the world GDP and 64% of the world financial capacity, which actually generates a global consumer demand. The countries which are members of these clubs feature a high level of rights and freedoms in public and political life. They all, without exception, passed an agricultural and industrial development stage and currently are at the post-industrialism stage, characterized by the leading role of services in the national economy, which generates 60% to 80% of GDP, high consumer demand, steady progress in science and technology, and strengthening of social policy. Generally, these countries have concentrated an enormous wealth potential to absorb the economic and social consequences of the crisis. Despite the structural issues of their economic development, imbalance in employment and failures in the mechanisms of financial market regulation, which is very clearly manifested in the current global crisis, all the «old gravity centers» will continue gradual development in the coming decades. However, we should not ignore the fact that they fully faced the phenomenon of «imperial overstrain» (*P. Kennedy*)³³, i.e. the lack of various kinds of strategic resources required to support its geo-strategic advantages. As regards the key factors capable of triggering the gravitational processes and affecting their geo-strategic positioning in the global environment in the coming decades, it is required to consider a combination of migration pressure with social consequences of structural problems associated with aging and labor productivity decrease.

³³ *Kennedy P.* The Rise and Fall of the Great Powers / Paul Kennedy. — London: Unwin Hyman Ltd. — 1987. — 704 p.

«Convergence clubs» below the diagonal are extremely exposed to the risks of global imbalances due to the underdeveloped level of «adaptation syndrome». The thing is that the formation of «internationalized reproductive nuclei» among these countries has its own peculiarities, determined historically by the nature of international economic relations. They are predominated by the trade and mediation model of foreign economic relations, which causes a situation where their internal economic situation is determined primarily by the pace of foreign commodity turnover development, which is far ahead of the pace of international industrial cooperation. At the time, the external commodity turnover expansion was not supported by the timely production cooperation and technological integration based on development of the value added chains. This fact contributed to a serious backlog of the national economies of these countries in a single internationalized reproduction process. The inertia of these trends was ambitious; at the beginning of the 21st century, for most of these countries the trade-mediation model remains dominant, which was the reason for involvement of their national economies in a severe structural crisis. Weak political and economic institutions in the countries, which are members of the «convergence club 6» and «convergence club 9», play a decisive role in their slow and inefficient economic development

Considering the above, we have to state that the current global transformations are not complete yet, and the new polycentric architecture of the geospace is not formed. The sustainable balance of economic and political forces in the geospace is still far away. On the contrary, in the near future, we should expect an expansion of gravitational processes in geo-economic space under the influence of fragmentation in the information and technological development of the countries, aggravation of energy problems, strengthening of environmental risks and disasters, unfavorable sociodemographic trends³⁴; the global development divergence will also be strengthened by institutional «failures» and socio-cultural constraints³⁵. These aspects should become the subject of research and theoretical basis for formation of new approaches to the global development issues. They must also be taken into account when mapping the geo-strategic positions of the countries in the modern heterogeneous and polycentric world.

³⁴ *Klinov V.* Global economy: forecast until 2050 / V. Klinov // *Economic issues*. — 2008. — No. 5. — P. 62-79 [In Russian].

³⁵ *Yasin E., Snegovaya M.* Institution and cultural limitations of backlogging countries / E. Yasin, M. Snegovaya // *Economic issues*. — 2009. — No. 11. — P. 32-49 [In Russian].

Systemic Determinants of Ukraine's Geostrategic Position

We devote the subsequent presentation of research findings to an analysis of systemic determinants, determining the geo-strategic position of Ukraine in the geo-economic space. Ukraine is located in a gravity field of «*convergence club 6*» unifying (with certain conventions) thirty countries (including 5 countries of Eastern Europe (Belarus, Bulgaria, Romania, Serbia, *Ukraine*), 5 Latin American countries (Argentina, Bolivia, Venezuela, Ecuador, Colombia, Peru); 9 African countries (Algeria, Angola, Egypt, Libya, Morocco, Nigeria, South Africa, Sudan, Tunisia); 4 South-East Asian countries (Vietnam, Indonesia, Thailand, Philippines); 3 South Asian countries (Bangladesh, Sri Lanka, Pakistan); 3 South-West Asian countries (Iraq, the Islamic Republic of Iran, Syrian Arab Republic) and one country of the Central Asia, Kazakhstan). In general, these countries form a cluster of «unstable economic systems», which de facto are in a phase of «transition to change.» Here there are impulses for development, in particular the new political ideas, modern ideology, activated social mobility, and increase in the potential for development of science and technology. However, there is still inertia and exacerbated structural, institutional and political crisis. Civil society in these «local geostrategic centers» remains extremely weak, the democratic institutions are mainly simulacra, masking an «uncontrolled domination of officials.» The dominants of the low level of economic freedom of the population in the countries of this «club» lie in the plane of «social stratification» determinants (*Sorokin*). It goes about the economic stratification of society and differentiation of population income, as well as non-economic factors determining the political, social and legal status of citizens, their rights and privileges, responsibilities and obligations, power and influence.

Considering the peculiarities of social stratification in «convergence club 6», we must keep in mind that the level of economic freedoms of a man here is determined by several determinants simultaneously.

First, the uncertainty about the parameters of social policy and civil society, with low levels of economy socialization, institutional reforms and democratization of property relations, with violation of parity in relations between labor and capital, and undeveloped state regulators. However, the determining factor here is the low level of flexible mechanisms of social mobility, not only horizontal but also vertical migration, which provides for the individual's movement from the lower in the higher group of social stratification.

Secondly, the action of «natural forces deepening the stratification», which fits into the concept of «stratification cycle patterns» (*P. Sorokin*). It goes not only about a theoretical design of «stratified fluctua-

tion model», but also about the real belonging of «convergence club 6» to different stratification cycles (Fig. 2). In particular, a part of it is at the stage of *transition from the third to the fourth cycle (Latin America, South Africa)*, where stratification grows up to the «saturation point», beyond which the society cannot advance without the risk of «major disaster». Another part of the countries belong to the stage of the *fourth cycle (Egypt, Libya, Tunisia, Syria)*, which reached the limit (saturation point) and where the alignment forces come into operation (including the civil unrest, revolution, etc.) designed to limit the upper population strata and to «cut off» the threshold stratification fluctuations on this basis. Finally, there are the countries of the *third cycle (e.g., Ukraine)*, which are at the stage of society differentiation strengthening, increase of social fluctuations to the «saturation point», which will result in the need of a new structural (institutional) intervention in social processes.

Thirdly, along with political and institutional factors, a decisive influence on the gravitational processes in unstable economies is exercised by the «starting conditions.»³⁶ The studies of their effects are contained in numerous scientific papers based on the analysis of which we can draw the following conclusions:

Stage 1 Depression	Stage 2 Revival	Stage 3 Exaltation	Stage 4 Crisis
Stratification top			
Disasters, economic life destruction, mass impoverishment	Reduction of stratification inequality and alignment of stratification proportions	Increased society differentiation, growing of social fluctuations which lead to a «saturation point» and crisis	Stratification reaches the «saturation point», beyond which the society cannot advance without the risk of a «big disaster»
Lower limit — «indifferent» society			

Fig. 2. Stratification cycle curve

Note: mapped by the author.

1) almost all countries of the «convergence club 6» experienced a major shift in the social order as a result of critical accumulation of contradictions inherent in the old system or directly under the influence of

³⁶ Zhuk M.V. International strategies of economic development / M.V. Zhuk, T.V. Baulina. — K.: Palyvoda A.V. Publishign House, 2006. — P. 185-186 [In Ukrainian].

the other countries, more powerful in political and economic spheres. Therefore, the state of economic instability here is caused by contradiction between the elements of a new system and inevitable remnants of the old one, which is also amplified by the influence of exogenous factors;

2) still, significant structural imbalances in the economies of almost all countries, without exception, which are members of this «club», become the causes of their involvement in the permanent structural crises amplified by incomplete institutional reforms and political instability in most of them, and are accompanied by intersystem transformations;

3) ten of the thirty countries are the countries only exporting raw commodities or fuel (Libya, Iran, Venezuela, Algeria, Peru, Iraq, Ecuador, Angola, Nigeria, Sudan). Availability of natural resources leads the inflow of investments and revenue, though, but hinders the structural reforms here and causes the «resource curse»;

4) the proximity of some of these countries (e.g. Romania and Bulgaria) to developed countries positively influences the ability of economic agents in these countries to adapt quickly to the new economic conditions;

5) the largest welfare of these countries is achieved by those who declared the policy aimed at joining the global and regional political and economic union (e.g. Bulgaria and Romania are the EU and NATO members, Argentina, Indonesia, and South Africa are the members of G-20, Philippines, Indonesia, Thailand, and Vietnam are the members of ASEAN).

Given the «starting conditions», the countries belonging to this «convergence club» are very prone to the risks of global imbalances, since the regulatory mechanisms able to perform automatic anti-crisis regulation and exert a stabilizing effect, relying on internal adaptive capacity, are poor or unavailable here. Besides, the feature of unstable economic systems is that the crisis factors arise here not only due to the accumulation of internal contradictions of the economic system, but also are inherited (due to changes in socio-economic and political systems), and therefore have a super-system nature. Therefore, the key determinants of economic development strategy in unstable economies is macro-economic stabilization, structural and institutional reforms and exist from the political crisis. In this case, to ensure the economic stability, the effect of traditional market mechanisms of self-regulation is insufficient. It must be supplemented by systemic mechanisms.

Fourth, the analysis of social stratification of society must take into account not only the starting conditions, but also the effectiveness of reforms.³⁷ In particular, it goes about:

³⁷ Global economy and international economic relations: manual / Ed. by prof. A.S. Bulatov, prof. N.N. Liventseva. — M.: Magistr, 2008. — P. 331-332. [In Russian].

–*availability of a national strategy* (if the political elite clearly defines the ultimate goals and methods of reform and if these goals and methods are shared by the majority of society, in this case a radical version of reform is possible, such as the return of Romania, Bulgaria, and Serbia to the «bosom of Western civilization», or forcing of «economic-centric strategy of expanding the export capacity» in South-East Asia (Indonesia, Thailand, Philippines); if the majority of the elite and society representatives realize the need for reforms and have the idea of strategic goals, but there is no unanimity on the way of reforms, in this case the evolutionary development option is possible (Vietnam, Bangladesh, Sri Lanka and Latin America) or the least radical option of reform (Belarus, Kazakhstan); and finally, the primary radicalism in the absence of a national strategy can deliver pretty controversial results, like in Ukraine);

–*political elite quality* (if the political elite quality is not high enough in terms of professionalism, and especially in terms of moral responsibility to society, the reforms are accompanied by permanent errors and are selective in terms of the «interests of certain population strata»);

–*enforcement of interests of all society strata* (it goes about the «fairness» of reform, characterized by the dynamics of income of most society members (especially compared to the income of the richest population strata), proliferation of competition and small businesses (and not just big one). Taking into account the aforementioned criteria leads to the conclusion that in most countries in the «convergence club 6», the reform results are enjoyed by narrow segment of the population (as evidenced by the Gini index, which in most countries of the South Africa, Colombia, Ecuador, Nigeria, Peru, Venezuela, Argentina is an order higher than the world average).

Thus, the countries of «convergence club 6» formed a kind of version of «dualistic society» with an inherent: 1) sharp social polarization; 2) uneven development of various regions; 3) coexistence of post-industrial and industrial and even traditional sector; 4) appropriate values and cultural transformations, which occur in a complex combination of geopolitical and socio-economic contradictions, a kind of «fault lines» (*R. Rajan*).³⁸ In view of the above, the peculiarities of geo-strategic development of these countries is not in the transition to industrial or post-industrial market system (this is a simplified linear understanding of global transformations), but a clearer focus on the general civilizational parameters and criteria.

³⁸ *Rajan R.G.* Fault lines: hidden cracks still threatening the world economy / Raghuram G. Rajan. Translated from English by I. Friedman with the participation of N. Edelmann. — M.: Publishing House of Gaidar Institute, 2011. — 416 p. [In Russian].

Conclusions

As a result of this study, we conclude that the global development at the beginning of the 21st century is accompanied by a simultaneous deployment of polar-vector processes. Along with the explicit increase of convergence of the global-centric economy components (convergence of countries' economies, involvement of most of them into the general mainstream of world civilization), their heterogeneity is increased. Many countries, for various reasons, are not willing to adapt to the imperatives of modern scientific and technological progress and structural changes in world markets. Consequently, the modern processes of globalization, international economic integration and convergence occur in a complex combination of geopolitical and socio-economic contradictions enhancing the gravitational processes in the geo-economic space and global development divergence.

Analysis of the geostrategic matrix of global development divergence in multiple dimensions is a conclusive evidence of the nonlinear dynamics of globalization processes and redistribution of global economic wealth between «old» and «new gravity centers», accompanied by the aggravation of contradictions between: 1) cosmopolitanism of capital and state sovereignty as a form of social organization; 2) harmonization and unification of social and economic development of the countries according to the principles of globality and political power still concentrated at the state level; 3) between traditional decision-making state institutions and new global centers controlling the resources required for their implementation and economic processes. As a result of unrealized ideas and tasks of the socio-economic convergence, the asymmetry of global development is increased; thus, the gravitational processes are growing along with integration ones. Hence, is the basic conclusion, the world is, on the one hand, homogeneous and interrelated, and on the other, it is a heterogeneous and divided. Search for the reasons of combination of these polarities and factors of global development divergence at the general theoretical and methodological level is one of the key tasks within the contemporary postmodern alternative.

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The article was received by the editorial board on 07.09.2015