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Global Challenges and Prospects of the Modern Economic Development

ACHIEVING SUSTAINABLE DEVELOPMENT FOR THE SOCIO- ECONOMIC AND INNOVATIVE DEVELOPMENT OF RUSSIA

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Abstract

The article presents the results of scientific analysis of the progress made by the world community towards the achieving the millennium development purposes adopted by the United Nations (UN) and approved by the states of the world. Despite the enduring value of public welfare, the start of international consolidation on development ways to improve global socio-economic well-being without compromising the needs of future generations was made at the end of last century by the UN initiatives. The adopted concept of sustainable development which was finally formed in 2015 proclaimed 17 sustainable development goals. Based on the definitions of the sustainable development index the analysis of the countries' positions on the implementation of the sustainable development goals was carried out. The leading countries have the highest indicators for the sustainable development goals and outsider countries. The multi-aspect picture of sustainable development in the world is emphasized. The determination of Russia's position in the world ranking on the sustainable development index is of particular value. The results of Russia's achievement of indicators for all sustainable development goals are presented. The special nature of settling goals within the framework of the Russian national strategy to sustainable development which takes into consideration the peculiarities of the country socio-economic situation and crisis situations including those caused by COVID-19 is emphasized. It is concluded that the possibility of adapting the world's sustainable development goals to Russian conditions requires the consolidated efforts of all stakeholders – government bodies, academic institutions, business representatives, and civil society.

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1. Introduction

At present development of the world mankind is taking place in line with the achievement of long-term goals defined as UN millennium development goals. The system of UN sustainable development goals (United Nations, 2020b) approved by all states defines the tasks and quantitative indicators for period 2016-2030. Russia is among the countries that have adopted the millennium development goals. The course adopted by Russia to transform the raw material export model into a model of innovative economic development makes it expedient to adopt a national concept of sustainability. The concept should be based on the balanced economic, social and environmental components and embedded in the long-term development program. In the process of development such kinds of policy documents it seems necessary to integrate the maximum number of SDGs (Sustainable Development Goals), their objectives and indicators in them. It should be borne in mind that exceptionally sustainable management rather than exploitation of toxic natural resources is prudent management of ecosystem and not the destruction of them. Development of collective responsibility for global well-being is the essence of the foundation of Russia's transformation of the paradigm towards and for sustainable development in the country and abroad.

2. Problem Statement

The paradigm of sustainable development focusing attention on the increasing role of human potential increases objectively its importance in the context of recognizing human resources as a key factor in socio-economic and innovative transformation (Karman, 2019). At the same time, the sustainability of global economic growth associated with the preservation of the natural environment of the world community is recognized as of great importance (Stec et al., 2017). The UN sustainable development goals are universal and applicable to all countries, regardless of their level of economic development. It is very important as Russia has taken a course to modernize its economy and has built a prosperous society based on it, the SDGs. Taking into account the current positive trends in global development and the emergence of new unpredictable threats we can assume that positive trends will have been preserved by 2030. The world community will continue its development experiencing difficulties and crises, making breakthroughs and achieving success in solving the problems of humanity. Russia should take its worthy place on this development highway.

3. Research Questions

The UN adopted sustainable development goals and it is an epochal event in the development of the humanity. A system of goals and indicators of their achievements was formed to get the global community on the path of sustainable development. The significance of addressing the challenges of achieving sustainable development is equally important for both the developing world and the developed world economies. Recognizing the value of the SDGs for Russia it is important to identify which SDGs have already been achieved in Russia and which are yet to be achieved. It is fair to assume that some of the goals adopted by the UN and the levels of indicators of their achievement in Russia have already been achieved, some of the goals are universal and very relevant for a number of Russian regions. At the same time, it is important to know what goals are realistic for Russia, given the uneven development of Russian economy and society over the

past 25 years. In the context of implementing Russia's long-term economic strategy, national projects and programs, it is necessary to conduct an analysis of achievements on certain benchmarks, the results of which should be included in the agenda of the national discussion about the future of Russia.

4. Purpose of the Study

The purpose of the article is to conduct a scientific analysis of the world community progress towards achieving the UN millennium development goals. Setting this goal made it necessary to solve a number of problems. First of all, it was important to present a historical retrospect of the development of the UN SDGs concept (United Nations, 2020b). In turn, this is necessary to understand the duration, complexity, and continuity of the process of developing and adopting a set of goals, objectives and indicators. An equally important task was to identify the positions reached by countries in terms of achieving the SDGs and characterize the multidimensional picture of sustainable development in the world. The task of clarifying Russia's place in the world, ranking on the sustainable development index and identifying the results of implementing the national strategy for sustainable development was of particular value. It was also important to understand how the results are compatible with the global SDGs which are accepted as key in Russia, and with the basic principle of the 2030 Agenda "leave no one behind".

5. Research Methods

A group of methods was applied in the study. The method of historical retrospection allowed us to characterize the history of the formation and development of the concept of sustainable development. Expectations and analytical methods allowed to assess the degree of achievement of the SDGs in different countries of the world including Russia. Based on the methods of expected assessments, ranking and comparative analysis, a rating of countries on the sustainable development index was compiled, and leaders and outsiders in achieving the SDGs were identified. The statistical method was used to identify the integration of the sustainable development Agenda in the economy and public administration. The inductive-deductive method allowed identifying trends in the field of sustainable development, summarizing the results and making theoretical conclusions. The analytical reports prepared by the United Nations, the Analytical center under the Government of the Russian Federation, the Federal State Statistics Service were the information base of the study.

6. Findings

Global concern about economic, social and environmental crises and the interest of global society in achieving its sustainable development are not exclusive characteristics of the current century alone (Turko, 2019). The problem of survival and social prosperity has always worried the minds of scientists, practitioners, and all mankind. The World Commission on Environment and Development established by the United Nations in 1983, played a major role in recognizing the importance and urgency of solving the problem of sustainable development. This is the World Commission on Environment and Development which initiated the world-famous first UN conference on environment and development in.

This conference was the first platform where the program on environment and development – agenda for the XXI century was presented. After 20 years – in 2012 – at the UN Conference on sustainable development, the concept of the sustainable development goals (SDGs) and the tasks aimed at achieving them were presented to the world community, and a year later – in 2013 – an Open working group of the UN General Assembly on the sustainable development goals was created, whose tasks were to develop proposals on the methodology and composition of the sustainable development goals (SDGs) for inclusion in the agenda of the General Assembly.

Subsequently, the adopted goal indicators were modified and supplemented to define the Millennium development goals. In 2015, 193 member-states of the UN General Assembly adopted the 2030 development agenda, known as “Transforming our world: The agenda for sustainable development for the period till 2030” (United Nations, 2015).

Research and regular monitoring of indicators of the sustainable development goals are published in annual reports on the sustainable development goals, which reflect the rating of countries’ sustainable development. The methodology for calculating the rating on the index of sustainable development of countries is based on a system of indicators. SDGs sustainable growth indicators are based on resources of reputable international organizations including the International Bank for economic cooperation, the Organization for economic cooperation and development, and Eurostat (2020). Besides, a significant part of the information base consists of data from sources of civil society and organizations, household surveys (Gallup, 2019).

As a result, today 17 sustainable development goals are known which include 194 indicators, of which 83 are global in nature, and 111 are local, since they are applicable to a particular country. Each indicator is given an absolute value, ranked on a 100-point scale where 100 means 100% achievement of the goal. It should be noted that the number of indicators in the SDGs has increased annually – in this regard, comparison of report data from different years becomes possible using a specially developed trend panel. Aggregated and weighted average indicators provide a multidimensional picture of sustainable development in the world. Based on the research (United Nations, 2020a), we will analyze the dynamic of changes in the rating of the SDGs index 2018, which included 156 member countries of the UN, OECD, geographically covering all the macro-regions of the Earth.

According to the annual report on the sustainable development goals (United Nations, 2018). index and dashboard report 2018, for last four years – from 2015 to 2018 – the leader of the rating is Sweden, the second and third places are occupied by Denmark and Finland – these countries have held these positions since 2017. The last three places in the ranking are occupied by Democratic Republic of the Congo, Chad and CAR (Xesibe & Nyasha, 2020) (Figure 1).

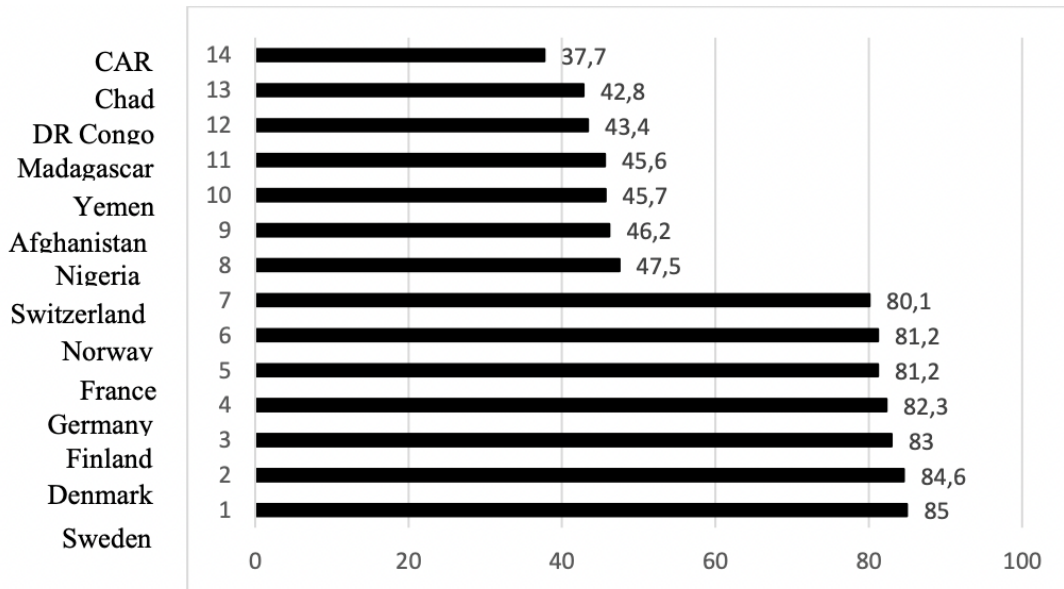


Figure 1. Leaders and lagging countries in the ranking by Index of sustainable development in 2018.

Source: authors based on (United Nations, 2020a)

Data analysis shows that even high income developed countries do not demonstrate significant progress in indicators of sustainable development. Proof of this is shown by Sweden which is at the top of the rating – 2 indicators out of 17 are identified as having a low level, namely: 56,8 points in the indicators “Ensuring rational consumption and production patterns” and 54,5 points in the indicator “Conservation and rational use of oceans, seas and marine resources for sustainable development”.

At the end of 2018 no countries were identified with a complete lack of indicators that have a low level. On the other hand, there is no indicator that does not correspond to a low level for at least one of the countries. The average value of the global SDGs index for the world was 64,9 points. Dividing the countries participating in the rating by the average values of the index let us to distinguish four qualities (Table 1).

Table 1. Division of countries participating in the rating by the sustainable development of Index

Quartiles	1	2	3	4
The average value of global index				
SDGs	77,17 points	69,12 points	65,11 points	49,22 points

Source: authors based on (United Nations, 2020a)

The share of the sum of SDGs values for such quartile in the total population is respectively: 29,72%; 26,62%; 24,70%; 18,96%. This leads to the conclusion that there is an obvious pattern: on the one hand, a high proportion of the first quartile indicates a sufficient degree of concentration for the first group, on the other hand, an extremely low proportion of the fourth quartile is found.

The analysis of this cross-indicator component revealed a number of indicators that have the highest values for all 156 countries participating in the rating. First of all, SDG 1 “universal elimination of poverty in all its forms” has a maximum value of 86,3, followed by SDG13 “taking urgent measures to combat

climate change and its consequences” with an indicator of 82,3. At the same time, according to the leading indicators for the countries of the 4th quartile, the average value of SDG 1 reaches only 54,5. Relative to other SDGs, an extremely low level of the index was observed for all groups of countries, for example, the measurement of the indicator “Building strong infrastructure, promoting inclusive and sustainable industrialization and innovation” (SDG 9) averaged 35,3 the catastrophically low indicates SDGs 9, 7, and 4 for the fourth quartile countries.

The determination of Russia’s place in the ranking on the sustainable development index (United Nations, 2015) is of particular interest. We should note immediately that Russia is characterized by a special specificity of indicators of sustainable growth. According to the result of the 2018 rating, the country took the 63rd position in the rating, the average level of indicators was 68,9, with an average of 69,1 for the second quartile and 69,5 for the regions of Eastern Europe and Central Asia. At the same time, the analysis of Russian indicators of sustainable growth showed a significant variation in indicators, for example, SDG 1 is equal to 100 – by international standards, this indicates maximum success in overcoming poverty. Russia also shows high indicators (80-90) in a number of sectors. The first is the availability of quality education – this sector has a particularly positive trend, achieved by increasing the duration of education in the ideology of “lifelong learning”. The second sector in terms of growth is the “cheap rational use of water resources” sector – the growth, which is less significant than the previous sector, was due to the increased availability of basic sanitation services. The third sector that showed stable but moderate growth is “access to sustainable and affordable energy sources” – the main driver of growth was the reduction of the impact of carbon dioxide on the natural environment. More restraining growth was observed in the sector “gender equality and protection of women’s rights” – this can be explained by the fact that in spite of the recognition of equal rights of men and women in most area of work, a certain barrier of growth of the indicators is the decrease in the share of women in government to the value of 15,8. We should also note positive trends in the implementation of the rights to decent work of citizens associated with economic growth. Thus, against the background of consistently low unemployment the role of financial institutions and financial technologies in the lives of Russian citizens is increasing. At the same time, it is fair to note the presence of unacceptably low indicators, for example, the elimination of hunger – the indicator reached 48,8 points, and the indicator describing the promotion of open civil societies and institutions for sustainable development was fixed at 36,5 points. The analysis shows that the indicators of Russia’s sustainable development are high only in a few cases, and in most sectors the indicators remain an average or below average levels. At the same time, a moderately positive trend is recognized for the main part of the indicators which gives confidence in the positive agenda for the future sustainable development of Russia. Authorities at all levels are undoubtedly interested in the progressive development of the Russian state by implementing state policy in the field of sustainable development. The formation of the national strategy for sustainable development is a logical consequence of the Decree of the President of the Russian Federation of 01.04.1996 № 440 “On the conception of transition of the Russian Federation to sustainable development. This statement is based on a set of measures taken by the government to achieve the main provision of this legal act (Bobylev & Soloveva, 2016). 12 national projects as well as comprehensive plan for the modernization and expansion of the main infrastructure implemented to achieve the national goals of the Russian Federation for the period up to 2024 are fully aimed at achieving the SDGs. Implementation

of national projects covers various areas: education, science, culture, demography, labor productivity and employment support, housing and urban environment, ecology, health, road safety and quality, digital economy, small and medium-sized business, support for individual entrepreneurship, international partnership, export. Only in the implementation of national projects and the modernization and expansion of the backbone infrastructure, 107 of the 169 SDGs targets are directly or indirectly covered. These goals and objectives were approved in 2018 by Decree of the President of the Russian Federation No. 204 of 07.05.2018 “On the national goals and strategic objectives of the development of the Russian Federation for the period up to 2024”. The National strategy for sustainable development in 2020 (Order N 1662-R of 17.11.2008 “Concept of long-term socio-economic development of the Russian Federation for the period up to 2020”, 2008) is constantly undergoing adjustments related to the development of Russian realities (Bobylev, 2017). An example of adaptation for the eight SDGs is shown in Table 2.

Table 2. Adaptation of SDGs and indicators for Russia

Development goals of UN Millennium	Goals	Goals adapted for Russia
Elimination of extreme poverty and hunger	Goal 1	Reducing poverty and eliminating hunger
The universal provision of primary education	Goal 2	Ensuring access to education
Promotion of gender equality and protection of women’s rights and opportunities	Goal 3	Ensuring gender equality and the advancement of women
Reduced child mortality	Goal 4	Decline child mortality
Improve maternal health	Goal 5	Decline maternal mortality
Fight against HIV/AIDs, malaria and other diseases	Goal 6	Fight against HIV/AIDs, tuberculosis and other diseases
Promotion of environmental sustainability	Goal 7	Promotion of environmental sustainability
Formation of global partnership for development	Goal 8	Participation in global cooperation which meets Russian national interests

Source: authors based on (Bobylev, 2017)

At present, out of 249 indicators in Russia, 79 ones are being developed (31%), 9 – are under development (3%), and 159 - are not being developed (64%) (Figure 2).

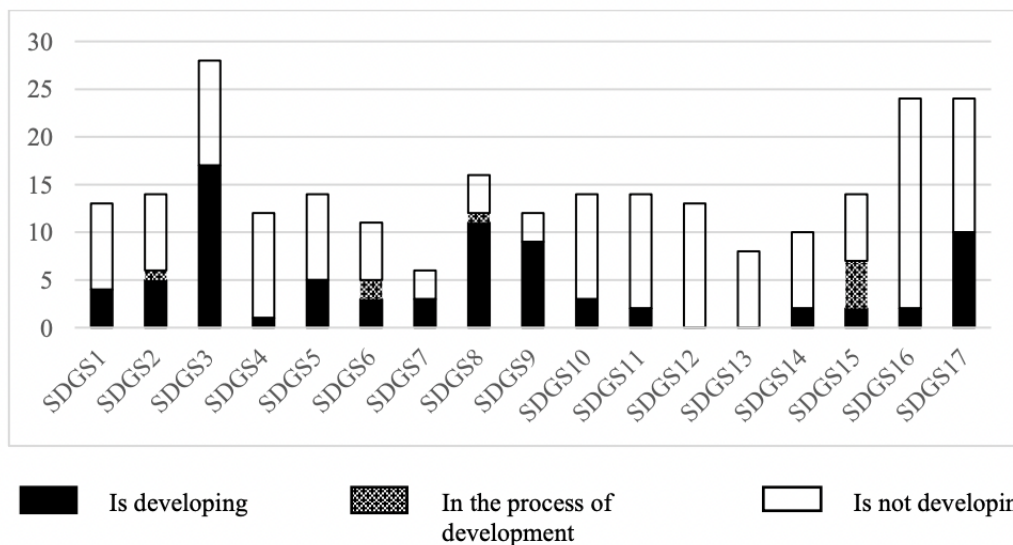


Figure 2. Status of SDGs development indicators in Russia (as of 01.11.2020)
 Source: authors based on (Analytical Center Under the Government of the Russian Federation, 2020)

Recognizing that the business community is an active participant in the implementation of the SDGs, it is important to understand which SDGs are recognized as priority by Russian companies. These were: SDG-8 Decent work and economic growth (100%), SDG 4 – Combating climate change (93%), and SDG 12 – Responsible consumption and production (93%) (Scott & McGill, 2018) (Figure 3).

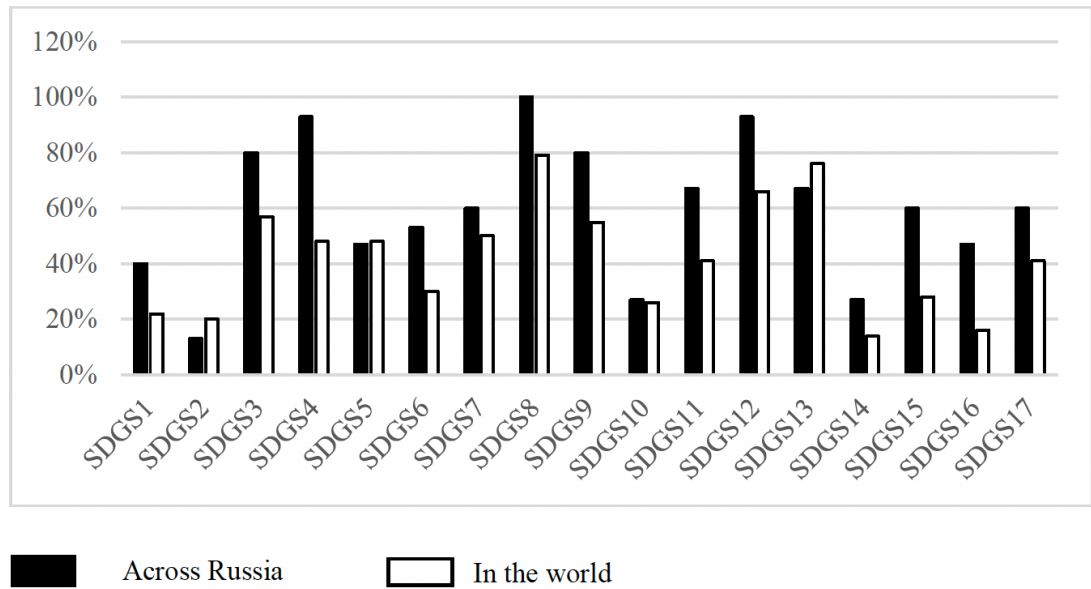


Figure 3. Prioritization of SDGs by Russian companies

Source: authors based on (Scott & McGill, 2018)

The implementation of the strategic initiatives in the field of sustainable development involves not only Executive authorities – but also non-governmental funds and unions of industrialists involved in the implementation of strategic programs, for example, in the field of forestry, nature management, and the energy sector. The indicators of Russia’s sustainable growth indicators for 2018 (Paltsev & Torkunov, 2019) are shown in Figure 4.

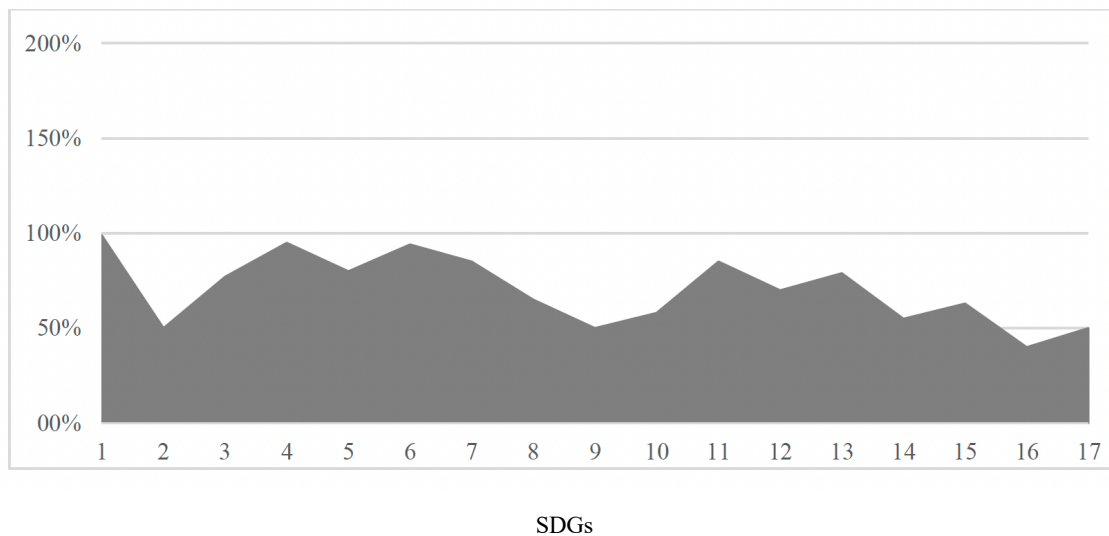


Figure 4. Indicators of Russia’s sustainable growth in 2018

Source: authors based on (Analytical Center Under the Government of the Russian Federation, 2020).

As we can see, Russia's maximum achievements of indicators is noted for SDGs group: poverty elimination; quality education; clean water and sanitation; low-cost and clean energy; sustainable cities and human settlements. The maximum approach to the final indicators for this group of goals confirms the social orientation of the country's policy to create conditions that ensure a decent life and free development of people – the social vector of the Russian policy orientation has made it possible to achieve significant success in implementing the basic principle of the 2030 agenda “leave no one behind”. The principle is the basis of the country's policy to ensure access to all spheres of life-socio-economic, political, cultural, health, etc. In all regions of Russia, quotas – from 2 to 4% - apply for employment of people with disabilities. Great attention is paid to infrastructure development, the transport system and the importance of this policy direction is determined by the vast territory of Russia and the uneven distribution of the population (from 0,1 people per 1 sq.km to 4,9 thousand people per 1 square km). The development of infrastructure and transport system plays a system-forming role for development in a number of areas (industry, agriculture, economic, social and information links between different regions). Special attention is paid to innovative development trends in the era of society's digitization. The positive impact of the development digital technologies and the expansion of access to telemedicine, e-education, and employment opportunities (including remote access) is indisputable. The use of digital technologies is not limited exclusively to the social sphere – they are quite actively and on a large scale penetrating into other areas, such as the economy, ecology, and public administration (Patlasov, 2017). For example, the transfer of public services to electronic form has simplified the process of linking businesses to electric networks, and the creation of a special portal “public services” on the Internet has considerably simplified the receipt of a wide list of services. Thus, at the end of 2019, 152 million services were rendered through this portal (the figure increased by 2.5 times compared to 2018). Citizens' satisfaction with the quality of public services increased from 75.5% in 2012 to 90% in 2018. COVID-19 has given special significance to the development of digital technologies. The anti-crisis plan developed by the Government of the Russian Federation is aimed to achieving, first of all, a number of priority SDGs, namely 8-decent work and economic growth; 1 – poverty elimination; 2- hunger elimination; 0 – industrialization, innovation; 3 – health and well-being; 10 reducing inequality. Within a framework of these goals, Russia has adopted and continued to take the necessary restrictions and support measures aimed at preventing the spread of infection, providing assistance to those in need of monitoring and treatment; reducing negative economic, financial, and social consequences for the population and businesses, including small and medium-sized entrepreneurship.

7. Conclusion

Russia, as an interested party in the sustainable development of the entire world society, takes an active part in the development and improvement of the system of global indicators for monitoring the achievement of the sustainable development goals. No less extensive work on monitoring the sustainable development goals is also carried out at the national level. There are still urgent tasks to diagnose the current state, identify key trends and determine the speed of progress of sustainable development in our country. In order to understand their place on the trajectory of the global community towards their socio-economic and environmental well-being, it is necessary to compare their success with the success of the other countries. The identified deviations from the expected results should be the subject of analysis and dialogue on the problem

of where and what additional efforts should be made to achieve the planned results. This dialogue should include government agencies that develop state policy in the field of sustainable development, academic institutions that offer scientific solutions to accelerate economic growth, environmental security and innovative social development in the digital economy and representatives of business whose activities directly determine the progress of humanity; and civil society, as actors and recipients of the results of sustainable development of the country in all their diversity. At the same time, the interpretation of sustainable development should not be limited only by economic growth – the focus of sustainable development is on all components of human well-being that originate from social, economic and environmental sphere.

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