

ABSTRACTS

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THE INFLUENCE OF SOCIAL FACTORS ON ECONOMIC GROWTH: THE NATIONAL ASPECT

The author has substantiated the role of demographic and cultural factors as important determinants of economic growth.

Modern basis for theoretical and methodological research of economic growth is insufficient to respond to the challenges posed by globalization processes and socio-economic changes taking place now in Ukraine. The global economic crisis, growing international competition and the whole complex of social problems objectively require that approaches to defining sources and factors of economic growth of the national economy be radically changed and special attention to social factors of economic growth be paid.

Population, its gender and age structure, length and quality of life, the quality of the labour force, migration of the population and its socio and economic aftermath – all these factors largely determine the trends of the global economy. Demographic factors affect economic growth through human capital, saving patterns and labor supply.

Culture affects economic growth in various aspects. First, expectations and preferences are shaped by culture. Second, beliefs and preferences affect economic outcomes (e.g., religion and ethnicity define resource allocation and income distribution in any society). Difficulties arise in determining the direction of causation between the level of economic development and cultural values. Most researchers tend to believe that the causal relationships are reciprocal.

The analysis of the socio-economic context of economic growth in Ukraine helped to outline aspects that hinder sustainable and long-term economic growth. If the country focuses on social development, increasing life expectancy, improving education, reducing poverty and establishing control over the level of unemployment, the country can achieve sustainable economic growth.