

**International Economics**

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**NEW ECONOMY:  
SYNERGY OF INFORMATIZATION  
AND GLOBAL CIVIL SOCIETY**

**Abstract**

The relationship between the new economy and civil society as a special institution that influences structural transformations of European civilization is explored since this model uses innovations, scientific and technological potential, which is an accelerated engine of social and economic development, and the need for stimulation is the main one. The priority of the policy of many developed countries. The aim is to develop a specific methodology for studying the interaction between the new economy and civil society in developed and developing countries, mainly related to information development. The object of research is human capital – the primary social value, its preservation and further development require the increase of investment in science from all social subjects. The most important role of governments, should be the creation at all levels of the social structure of the most favorable conditions for financing in the production sphere and transfer of knowledge. A liberal model of civil society is developed, as a model of «minimal intervention». The analysis of the main factors of the development of a new economy in the structure of European civilization is carried out, and the conclusions are formulated.

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**Key words:**

New economy, civil society, european civilization, digital economy, innovations, scientific potential, technological potential, human capital, inclusive development, social capital.

**JEL:** I20; I23; I26; L31; N10; N30; Y9.

**Introduction**

At each stage, the economy develops under the influence of a certain dominant source or a factor of production. If in the pre-industrial era the main productive resource was a muscular strength, in industrial – machine technology, then at the post-industrial stage, which is the industrialized countries at the present stage, knowledge becomes the most important economic resource.

In the conditions of globalization and information explosion, the world entered a new stage of civilizational development, which could not but effect the essential characteristics of the civil society: the role of each individual in the development of the state increased sharply, the space of command influence decreased, there were a significant development and complication of horizontal social relations. gaps, plexus of various civilian institutes into a holistic network. This led to the search for adequate models of interaction between state structures and civil society.

**Analysis of the recent research  
and publications**

The main theoretical and conceptual foundations of the development of civil society are discussed in the writings of Aristotle, Plato, Democritus, M. Weber, G. Hegel, K. Helvetius, T. Hobbes, I. Kant, J. Locke, S. Montesquieu, J. Russo, A. de Tocqueville and Ukrainian researchers E. Guennin, A. Kolodiy,

M. Lesecko, J. Privalov, O. Rogozhin, Yu. Saenko, V. Stepanenko, O. Ubevolk, A. Chemeris, V. Chepak and N. H. Chernysh.

Among the authors whose works are to a large extent the basis of the new economy, as a significant component of economic science, we should first highlight the works of D. Bell, M. Castells, J. Marzhna, J. Masuda, F. Makhlop, E. Mansfield, R. Nelson, I. Nikolov, E. Toffler and national scientists O. Balan, V. Heyets, V. Gerasimchuk, G. Zakharchin, N. Karachin, E. Kricavsky, S. Filipov, L. Fedulova, F. Khmil, N. Chukraj, I. Yaremka, O. Yastremskaya, N. Shpak.

Among the works adapted to the modern understanding of the scientific problem of the new economy, the works of foreign and domestic scientists are based on: S. Alkaira, M. Armstrong, R. Aron, G. Becker, D. Bella, I. Bestuzheva-Lady, O. Bilorus, O. Gavrilyuk, V. Gayets, H. Graham, D. Guest, M. Desai, O. Dobrynin, P. Drucker, V. Kurylyak, A. Poruchyky, Ye. Savelyev, V. Seminozhenko, A. Sena, Ya. Stolyarchuk, Y. Sulima, R. Tamura, E. Toffler, A. Filippenko, D. Forrester, M. Hack, S. Hauff, M. Shepelyev, V. Shayko.

With all the diversity of specific features of the new economy of the information society, allocated by researchers, the latter are united by the idea that humanity has entered a new stage of civilization development, when information and knowledge play a decisive role in all spheres of human activity. However, in most works, both national and foreign authors, the focus is on only one aspect of this multifaceted problem – the development of the information and communication infrastructure of the economy and the market of scientific and technical information, while the fundamentals of intellectual capital production and its features are not highlighted enough.

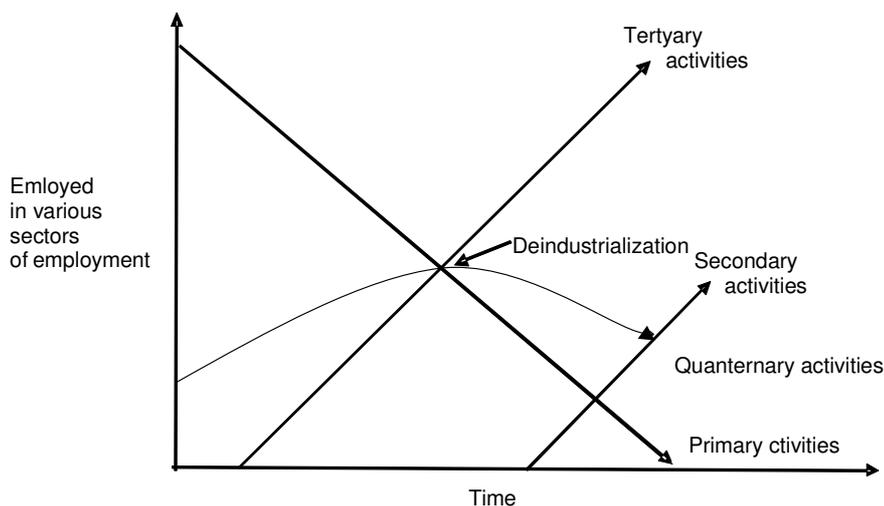
Followers of the theory of informatization economics H. Masuda (Masuda H., 1995), M. Porat (Porat M., 2008), T. Stonier (Stonier T., 2012), relate its formation with the domination of the fourth sector of the economy (Fig. 1), which goes after the agriculture, industry and service sector, where capital and labor are the basis of industrial society – give way to information as the basis of the information society.

According to M. Castells, the peculiarity of the technological revolution is that a main role doesn't play information, «but the application of information to the generation of knowledge and devices that process information and communicate, in the cumulative feedback between innovation and the use of innovation» (Castells M., 2002). In his work, «New Rules for a New Economy», K. Kelly (Kelly K., 1999) outlined the main features of the new economy, which, in his opinion, are most evident in a changing world: the global nature of the changes taking place, the manipulation of elusive assets: ideas, information and relationships, that are closely interact with separate segments of the new economy.

Fig. 1

**Change of the leading sectors of the economy**

(Ravenhill J., 2017)



Countries that are eager to move to an innovative type of development that is characteristic of a new economy face, the problem of deflation of public policy institutes and the return to a democratic institutional environment are inevitably due to the fact that the phase of entry into the post-industrial development stage requires the strengthening of certain segments of civil society. Strong, influential civil society institutions are a prerequisite for the emergence of a post-industrial society based on the «digital economy». Due to this, the strategic objectives of the systemic modernization of the world community, the transition to an innovative type of development, put forward the issue of increasing competition, democracy, improving the quality of social capital and trust, as well as the interaction of authorities and civil society. The ability of government, business and community initiatives to partner and consolidate in order to create an institutional environment and creative motivation that will promote the creation and implementation of innovation is one of the most important conditions for an innovative type of development.

An important research task is to identify the relationship between the level and nature of the development of civil society, public policy and the peculiarities of the transition to an inclusive type of development, as innovative technological and economic growth, as the world practice shows, takes place in those coun-

tries where developed a high degree of trust between the authorities, business and public initiatives. Thus, synergistic effect is formed that is obtained as a result of the interaction of people as elements of the combined labor force in the production process (image, corporate culture, prestige – at the level of organization (firm)) and as the individuals outside the production process (traditions, culture – at the level of the nation, the state). Then unlike social capital in its interpretation there is no single approach to the «new economy», as the final integral product of the interaction of informatization and civil society, which influence the socio-economic processes in the XXI century.

Thus, P. Bourdieu (Bourdieu P., 2015) defined social capital as «resources, based on family relationships and relations in a membership group». But the greatest popularity of the concept of «social capital» was in the extended interpretation of J. Coleman (Coleman J., 2015), according to which – this is the potential of mutual trust and mutual assistance, which purposefully is formed in interpersonal relations: obligations and expectations, information channels and social norms. By analogy with the physical and human capital embodied in instruments of labour and training that increase individual productivity, social capital is contained in such elements of a social organization as social networks, social norms and trust that create conditions for coordination and cooperation for the sake of mutual benefit. Social capital is a social glue that allows you to mobilize additional resources of relationships based on people's trust in each other. «Social capital is the ability of individuals to dispose the limited resources based on their membership in a particular social network or wider social structure. The ability to accumulate social capital is not an individual characteristic of the personality, it is a peculiarity of the network of relations that the individual builds, that is, social capital – the product of human inclusion into the social structure» (Nistik T., 2016).

The main area in which social capital is formed is the sphere of education, which is why efforts of society and the state must be focused here. The sphere of education is a sphere of strategic interests of society, and therefore its state and level of development are factors of social progress and socio-economic growth (Broking E., 2001). Therefore, at the present stage, two points are mostly important. First, the renewal of the lost social functions of education, as a result of which social and human capital is formed. In educational practice, the unity of education and upbringing has been violated. They rejected what formed the core of the generally accepted social ideal, and did not produce a new one. In addition, the socio-cultural integration of mankind raises the problem of not how to lose losing on the the spiritual values of its culture road of progress. This requires the development of a state policy in the field of education that takes into account the national idea. The disadvantage of the educational reforms carried out is the orientation towards their implementation on historically created forms and methods of social life in economically developed countries of the West. One of the functions of education is the production of culture. Secondly, the education sys-

tem should become the basis for the formation of the intellectual elite of our society. The end of the XX – beg. XXI became the era of the «revolution of intellectuals». The new information economy allows starting risky projects with virtually no initial capital; a large part of the means of production used by intellectual workers today is their personal property; therefore, in the near future, these people will be at the head of all social changes, and the ideology they will form is laid right now in the education system, because it is known that all politicians realize their ideas that were laid down by their teachers and lecturers.

### **Presentation of the main research material**

The institutionalization of the new economy leads to an increase in the competitiveness of countries that are focused on the development of innovations. This can be implemented with the factors that determine the realization of a set of institutional measures for their creation and execution for the final market consumption. It allows realizing the strategic goals of organizations and society.

Globalization calls for the urgent need of analysis, use and creation of new institutions, ensuring the process of interpenetration in the institutional environment, creating the prerequisites for sustainable development. Impact factors, including increased knowledge and their application, are the key to the potential well-being of society. Technology sets the upper limit for economic growth, but it is important with what kind of mechanisms kind of humanity can realize the successes of modern technologies. The theories of industrial, postindustrial, informational societies and the «new economy» were created by the principle of technological determinism.

The formula of success «accumulate and invent» was formed in XXI century and is associated with the accumulation of physical (and later human) capital and scientific and technological progress, has been changed with the time, by the study of the «fundamental» reasons for differences in the functioning of the economy (Acemoglu D., Robinson J., 2012; North D., Thomas R., 1973; Rodrik D., Subramanian A., Trebbi F., 2004). As a result, there were several hypotheses of economic growth, appeared including institutional, geographical, cultural, etc. Each direction emphasized the importance of one single determinant, its predominant value for the socio-economic system. A comprehensive approach to the review of economic growth involves recognizing the existence of a multitude of its factors, each of which contributes to this process.

Many of modern theoretical and empirical studies prove the belief in the greater contribution of the institutional characteristics of the country in its economic dynamics compared with other groups of factors (Acemoglu D., Robinson J., 2012; Hall R., Jones Ch., 2016). Therefore, one of the key areas of trans-

formation in the country and an important component of the economic success of the state by modern researchers are the institutional changes associated with the formation and preservation of quality institutions.

Under the institutions we traditionally understand the rules of the game in society, that is, the structure of interaction that manages and restricts the relations of individuals (North D., Ullis D., Vajangast B., 2017). Particular attention is paid to these two basic types of institutes: economic and political. The first form a system of incentives, organize the interaction of individuals and groups operating in the economic sphere, while the others perform similar functions in the political sector. Political institutions are associated by the scientists with the built-in constitutional procedures, the principles of federalism, the separation of powers and the rule of law (Furubotn Je., Rihter R., 2015).

However, the key to political institutions that are currently being studied, is the democratization of the political regime (Shastitko A., 2012). They create a basis for economic interactions, which is supplemented by direct regulation of economic institutions. The quality of institutions is determined by their ability to create the preconditions for sustainable economic growth. The economic significance of the institutes is explained by their influence on the complex of incentive motives of economic entities, the ability to ensure the stability of their interaction with each other and predictability of behaviour. Imperfect institutions protect investments and innovations from individuals and government encroachment (Helpman Je., 2016), promote efficient allocation of economic results in the current and future periods (Isard W., Azis I., Dreman M., Miller R., Saltzman S., Thorbecke E., 2017), and ultimately form a high potential for growth of the national economy.

Institutional factors are associated with management, regulation of individual spheres, areas, economic and social relations. They include scientific, technical, financial, investment, social factors and measures to improve management, the transformation of institutions (rules, norms, guidelines) management of these spheres, management institutions.

Institutes, in whole, form the institutional structure of society and economy. They set the structure of the incentive motives of human interaction-whether in politics, social sphere or in the economy, affecting the functioning of the socio-economic systems. Institutes according to D. North (North D., 2016), are «the rules of the game» in a society or human-created limitations that organize the relations between people. They specify the structure of incentive motives of human interaction in politics, social sphere and economics. Institutes influence the functioning of economic systems, forming the institutional structure of society and economy.

Institutional factors (Table 1) not only influence, but also determine the development of innovation activity, and, consequently, the new economy as the core of the mechanism for the development of innovation activities.

Table 1

**The stimulating and restraining institutional factors of the new economy**

Type	Stimulating	Restraining
The sphere of civil society organizations (CSOs) (institutions and relationships within which political life takes place and state power is realised)	<ul style="list-style-type: none"> <li>the possibility and means of increasing voting;</li> <li>increasing interest of CSOs in autonomy;</li> <li>CSOs as independent objects of democratic development;</li> <li>increase in legitimacy and representativeness.</li> </ul>	<ul style="list-style-type: none"> <li>restriction of representativeness;</li> <li>weak integrity;</li> <li>lack of theoretical justification for the category of «civil society»;</li> <li>failure to update management;</li> <li>the concentration of required CSO stock limits;</li> </ul>
Scope of socio-economic and political directions of the adjacency of legal regimes (economic institutions and relations that constitute the material basis of society's life)	<ul style="list-style-type: none"> <li>favourable legislative framework;</li> <li>elaboration of long-term state policy in certain branches;</li> <li>party coalition in government;</li> <li>stable and functional parliament;</li> <li>decentralization processes;</li> <li>regional legislative bodies facilitating dialogue with CSOs;</li> <li>an open space for dialogue between the government and the CSOs;</li> <li>the basis of convergent cooperation between CSOs in society;</li> <li>formal and informal mechanisms of influence on the political situation</li> </ul>	<ul style="list-style-type: none"> <li>the process of state-building;</li> <li>the legal field provides limited privileges for the formation of self-sufficient and independent organizations;</li> <li>a political context that allows for substantial but limited responsibility;</li> <li>government instability;</li> <li>split of CSOs;</li> <li>the weakness of parliament and regional authorities;</li> <li>high political decentralization;</li> <li>geopolitical instability;</li> </ul>
The scope of legal relations between the parties concerned (cooperation and coordination) (a set of information, mass media, enterprises, citizens, organizations that carry out information activity)	<ul style="list-style-type: none"> <li>auxiliary capacity building architecture for the development and consolidation of CSOs;</li> <li>access to mass media;</li> <li>CSOs in the political vector of development of the international community.</li> </ul>	<ul style="list-style-type: none"> <li>CSOs and government interconnections: «too close to comfort»;</li> <li>low level of cooperation and limited collective interaction;</li> <li>uneven access to mass media;</li> <li>lack of coherence and formal dialogue with CSO development partners.</li> </ul>

Source: compiled and systematized by the author on the basis of (Acemoglu D., 2015; Aghion P., Howitt P., 2012; OECD, 2001).

This takes place against the background of attracting material, production, financial and labour resources that can ensure the implementation of the process of development and implementation of innovations. Institutional factors for the development of innovation activity contribute to the implementation of the enterprise's production program aimed at introducing innovations, which allows competitiveness in different types of markets.

Considering the stimulating institutional factors of the new economy, it becomes clear that, in modern conditions, the determinants of the economic success of a country are the characteristics of social capital that allow the creation of new business models, trade, logistics, production, change the format of education, health care, state administration, communication between people, and, therefore, to ask a new paradigm for the development of the state, the economy and society as a whole, the assessment of which until recently focuses on the level of education, the qualification, professional competency. Indeed, without the economy saturated with high-quality labour resources, it is impossible to support national competitiveness today. However, the contribution of this factor to economic growth is not only due to higher productivity of skilled and educated workers. Equally important are non-cognitive (not directly related to education) characteristics, such as teamwork skills, self-confidence, positive mood, willingness to cooperate, emotional stability, tolerance, responsibility, ability to take on the challenge, readiness for change.

In modern economic literature, two main approaches of the notion of «social capital» can be distinguished. The first approach focuses on socio-cultural factors (social institutions, social mobility and the motivation of economic agents), serving as favourable elements of the environment that fosters trust, and facilitates coordination of economic activity, which increases the efficiency of the functioning of the market mechanism (Akkreman F., Ananin O., Weinskopf T., Goodwin N., 2017; Nesterenko A., 2011; Fukuyama F., 1999). In this context, social capital is a stock of social contacts of the agent, enabling him to make rational economic decisions that reduce the risks and losses of unfair competition.

According to the second approaches the World Bank research treats social capital as a kind of insurance mechanism for economic agents who are deprived of access to market alternatives (Bank W., 2003). By increasing the efficiency of functioning of the market mechanism and ensuring the survival of backward economic entities, social capital contributes to reducing the state's interference in the functioning of the economy, makes redundant the details of «rules of the game» (formal institutes), reduces the cost of control over their implementation by economic agents. According to F. Fukuyama (Fukuyama F., 1999), low trust among economic agents is accompanied by high costs of coordinating activities that require the establishment of a strong state.

E. Diskin (Diskin E., 2017) interprets a broader interpretation of the social capital from the standpoint of the «digital economy» by treating social capital

from the generalization of the «influence of socio-cultural factors on economic interactions» on the generalization of «the contribution of a social organization to production». This approach allows us to go beyond the actual market interaction and commercial criteria for evaluating the activities of the business entity, consider as a condition of production «stock» mechanisms for balancing the production, economic and social interests of economic agents. This approach is particularly relevant in the context of the «new economy» (M. Castells (Castells M., 2002), «information / global economy»), in which the main factor of production is knowledge and information (in comparison with natural, labour, capital resources, whose performance falls into dependence on knowledge and information). Since their carrier is a person, then its participation in production cannot be adequately expressed either by the notion of the factor of labour, or the notion of human capital. The fact is that communication, coordination of activities in the new economy becomes a phenomenon not so much scope of exchange and transactions, as the production itself. Social capital, which facilitates communication and coordination of activities, acquires, in certain respects, the properties of substituting other factors of production. And its assessment no longer reduces to reducing transaction costs and can be determined by the cost factors of production (Hodgson G., 2017). The main determinants of social capital are socio-demographic, political and institutional factors and orientation towards ethnic values. These include the impact of social capital on the individual attitude to money, as well as on the economic indicators and competitiveness of countries, and more recently, to inform the society and the «index of happiness».

I. Parts (Parts E., 2013) consider the dynamics and determinants of social capital, informatization and civil society in different groups of the European countries. He highlight four factors that determine social capital: the general level of trust, trust in institutes (state and civic organizations), formal network links and norms of the social behaviour, and also distinguish the main determinants of social capital by dividing them into two levels. The first is the cultural-psychological and socio-demographic characteristics of individuals (such as values and personal experiences, family and social status, income levels and education) that determine their incentive to invest in social capital. The second is the systemic factors of the society (nation) where social capital operates: the general level of development, the quality and justice of formal institutions, the distribution of resources and the polarization of society, as well as the key principles of cooperation. Comparison of levels of social capital showed that, in all its components in the new member states of the European Union, it was lower than in Western Europe. In less developed countries, trust in institutions and social behaviour has been stronger than in the new member states of the European Union, but weaker than in Western Europe. Between 1990 and 2016, the average level of social capital fell in the new member states of the European Union but rose to Western Europe. However, the individual experience of individual countries was more diverse, and self-evident generalizations based on country groups are impossible. Therefore, the main conclusion useful for making policy decisions on raising the

level of social capital is the need to support investment in the education system and the improvement of democratic processes.

N.-K. Hlepas (Hlepas N.-K., 2014) has shown that the «old» members of the European Union are very different in terms of social capital and that the differences between the candidate countries for accession to the EU and the EU's neighbours in the east are even greater. Comparison of the relationships between the individual components of social capital shows that in many cases the overall level of trust does not meet the standards and public confidence in politicians. The general level of trust is also influenced by the level of inclining to help others in everyday life, but this tendency is largely determined by culture. On the other hand, the level of agreement of local elites with the norms and society's trust in political leaders most likely reflects their historically established competence and how they accept the state, public institutions and political power. Satisfaction with the work of institutes, too, is likely to increase public confidence in political leaders. In all developed countries, the EU has a positive link between public trust in political leaders, on the one hand; and the quality of institutions and the adoption of social behaviour by local elites, on the other.

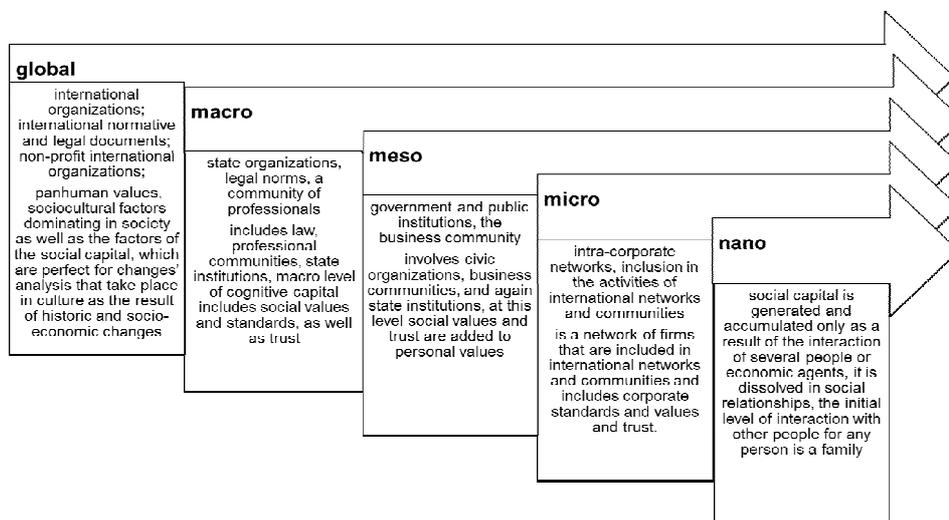
A. Tatarko and P. Schmidt (Tatarko A., Schmidt P., 2013) evaluated the impact of social capital on the individual economic behaviour of citizens on the example of the behaviour of the adult population. Their findings have shown that a high level of trust, tolerance and civic self-identification are associated with a hostile attitude towards money. This means that when social capital is shrinking (due to migration and political apathy), people are trying to make compensation for their money savings. On the contrary, more significant social capital provides people with support, serves as a kind of guarantee of security, influence and protection and can reduce the dependence on people money. That is, the component that is more and more connected with the relation to money is civil self-identification.

It should be noted that all levels of social capital (Fig. 2) are closely related. Moreover, they complement each other, because social capital is determined by its functions, being in the form of social structures, capital significantly facilitates the interaction between the entities that are in these structures.

Akchomak and A. Müller-Zick (Akchomak I., Müller-Zick H., 2015) tried to isolate the causal link between the level of confidence in the economy and the results of innovations, emphasizing the value of social networks to ensure the best results in the economy and the best indicators of innovation. By improving the work of social networks, you can achieve closer collaboration and better dissemination of scientific information. Also, scientists stress that it is necessary to invest in human capital, as education gives a huge effect of socialization and thus strengthens the network.

Fig. 2

Levels and components of social capital



Source: compiled by the author.

At the end of the XX century there are many new trends in the economy, thus the new economy is substantiated through the prism of the economic sociology, economic psychology and institutional economy, which leads to the relationship of economic categories. According to Ye. Savelyev and V. Kurylyak, (Savelyev Ye., Kurylyak V. 2012) the world economy at the present stage of development gradually turns into a complex monorganism with classical systemic qualities, among which the ability to self-development, the management of internal organizations and interconnections becomes of paramount importance.

The theme of the civil society development becomes increasingly important as the development of a system of effective democratic governance requires the public administration system to be simultaneously open, democratic and effective. Efficient democratic governance – is first of all, a participation in the management of citizens and their associations, the creation and strengthening of horizontal ties in the system of governance, only then, one can speak about a full-fledged civil society and rely on its institutions. Civil society – is mostly a self-organized and a self-governing system, focused on cooperation, solidarity and interests of an individual (Muntyan M., 2015).

The recent reforms conducted in the management of the European states relate mainly to organizational changes in the totality of power structures. The same problems are practically completely related to the problems of the development of global civil society. In the period of the global social transformations, the world community has become acutely displeased with the established system of social relations, the isolation of civil society institutions from the actions of global governance. Civil society is often treated as a limiting factor in the role of the state, which reduces its powers, and at the same time, assumes a part of its functions. Citizens can exercise their power directly in various forms of outspoken expression of will, they will voluntarily pass on part of their power to the authorities to ensure the safe livelihoods of the country as a whole (Subetto A., 2017).

Social global networks become the basis of the information exchange, intellectual interaction and the creation of a collective systemic and structural management decision without the participation of the state. The vector of development of civil society institutions in the direction of internationalization in the near future will lead to the formation and development of a new model of management of society through a network of global civil society, with the effectiveness of governance, which functions of the state, should be gradually transferred to the latter. But this model does not mean the complete extinction of the state, it leads to its transformation into a «night watchman», the carrier of the cultural and historical traditions of mankind.

By designing the concept of «civil society» for the concept of «global civil society», one must realize that they are the citizens of this global society, for the sake of which these values and goals are shared by these citizens in the global community and subordinated to them by their private interests.

J. Keane (Keane J., 2013), applying the classical methodological strategy of the ideal type in defining a global civil society, describes it as «a dynamic non-state system of interconnected socio-economic institutions that cover the entire planet, creating in all its corners a complex effect from its activities». A global civil society that is constantly developing a social phenomenon is, according to J. Keane, an unfinished project, «which is composed of time-wise developed and sometimes undeveloped interconnected networks, pyramids and communicative (*hub-and-spoke*) clusters of socio-economic institutions and actors who self-organize across borders with a conscious intention to unite the world in a new way» (Keane J., 2013).

Another important approach in defining and conceptualizing global civil society is, as noted, its comparison with the traditional civil society, revealing the conceptual similarity of the «global civil society» with its historical analogue, which traditionally was formed and developed within national states. So B. Hall (Hall B., 2015) observes that global civil society, «a close conceptual cousin of civil society», appeared on the forefront in the last quarter of the twentieth cen-

ture as a useful concept for characterizing the global autonomous space of civil and organizational activity in the era of globalization. According to this approach, the global civil society represents a «third sector», which is not only different from the modern state-centric model of international relations and the global economic market, but also to some extent an alternative to them. Even at the beginning of the XXI century the thesis on the prospects for the conceptualization of the completion of the era of national powers seems somewhat naive or at least a premature diagnosis of the development of world order (Fukuyama F., 2004). But one can not but agree that global civil society is already a real actor of modern international politics, capable of creating an alternative and even neutralizing existing configurations of global power and government, putting forward and lobbying alternative values.

Global civil society is a product of globalization that stimulates the processes of transnational self-organization of the world community. According to E. Hiddens (Hiddens E., 2004), global civil society is a broad public sphere of civic activity, located between the market, on the one hand, and state and quasi-state entities, on the other (Baburin S., 2017).

The above mentioned point of view, can be traced also positions in the thoughts of those authors, who are inclined to define a global civil society through its main actors, which include non-profit international organizations (Galyaurova D., 2017).

However, global civil society is a broad, interconnected and multilevel social space, in which many independent non-state institutions and ways of life interact. Global civil society combines national civil society and aims to reconcile diverse interests to address global challenges that pose a threat or danger to the individual. The main purpose of the civil society is to achieve consensus among different social forces and interests. It is intended to determine the norms and boundaries that can block the destructive potential of the struggle of different forces and direct them in a creative direction (Kissinger G., 2017).

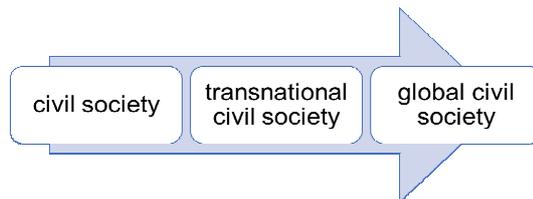
Effective interaction of the active civil society and a strong state is an essential condition for the harmonious development of both. Deep transformation at the turn of the XX–XXI centuries, led the European civilization to a situation where the political regime became almost an insurmountable obstacle to a broad civil self-organization. At the same time, the relationships between the structures of civil society and state bodies are far from ideal. The main reason is that the process of becoming as a mature civil society, as well as a strong, effective democratic state of law, has not yet been completed, although they had already been developed in their main features. Not all the spectrum of legitimate and everyday concerns of citizens is expressed in the activities of the decorated communities and the requirements they bring to the authorities. At the same time, the requirements are sometimes not specific and realistic, and not based on resources available within the national framework.

That is, while investigating at the new economy in the prism of civil society, some terminological differences, caused by the use of different concepts should be clarified (Fig. 3). So, in our opinion, «civil society» is a sphere of self-expressing free citizens and voluntarily formed non-profit organizations, fenced off from direct interference and arbitrary regulation by state authorities and business, as well as other external factors; «transnational civil society» – the manifestation of the transnational identity of citizens of national states, that is, new social movements (pacifist, ecological, feminist, sexual minorities, human rights defenders, etc.) that maintain identity with their country, form a transnational identity with the participants of the international movement; «global civil society» is an autonomous sphere of interaction between cosmopolites, international non-governmental organizations and transnational social movements that are self-organized in order to uphold their own and collective interests at the global level and confront, on the one hand, international state organizations, and on the other transnational corporations, taking into account the development of new forms of public participation and the involvement of more and more wider circles in the processes of globalization and the development of a new economy, the search for people who suffer from «older» and «new» sources of inequality, and giving them the opportunity to be heard, summarizing activities under this social platform.

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Fig. 3

**Transitional stages of civil society development**



Source: compiled by the author.

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When we talk about global civil society, we mean transnational private activity of any kind for the common good, as well as an arena for intercultural dialogue. As the infrastructure of a global civil society includes a variety of non-governmental organizations, voluntary associations, interest groups, non-profit and charitable associations, as well as less formal and sustainable forms of social organization: social networks – online platforms designed to build, map and organize social relationships on the Internet (Michalsky N., 2016), diaspora, social forums.

Civil society today is in a state of transition to a new level of its development, which can be characterized as a global information and communication management space, which is based on the individual, able to make operational decisions across the whole range of problems created by the challenges of the modern world.

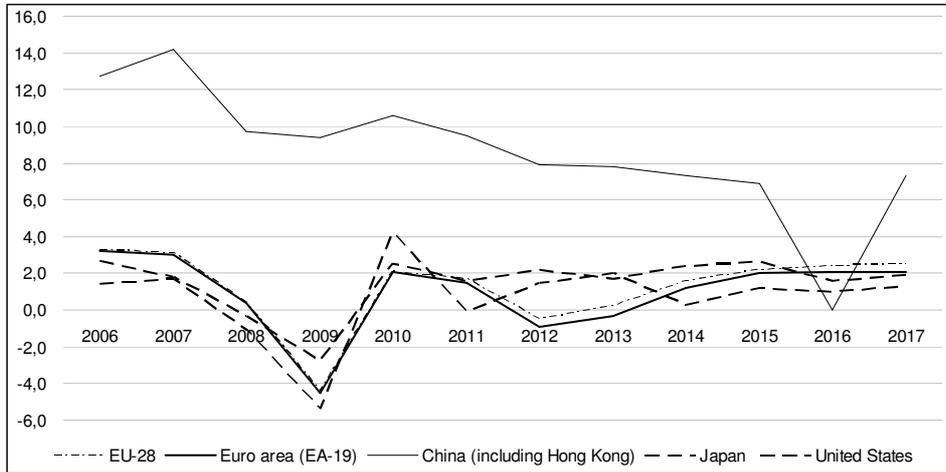
Social global networks become the basis of information exchange, intellectual interaction and the creation of a collective systemic and structural management decision without the participation of the state. The vector of development of civil society institutions in the direction of internationalization in the near future will lead to the formation and development of a new model of management of society through a network of global civil society, with the effectiveness of governance, which functions of the state should be gradually transferred to the latter. But this model does not mean the complete extinction of the state, it leads to its transformation into a bearer of cultural and historical traditions of mankind.

Describing the structure of the global civil society activity, namely those areas where transnational civic activity is being implemented, it is worth noting that it is dominated by organizations promoting economic development and a group of economic interests (26%), knowledge-based, working in the field of research and science (20.5%) (Raj S., 2015). These two areas have a long and rich tradition: cross-border business and professional organizations, international chambers of commerce and industry, consumer associations, professional communities in the field of law, auditing, trade, engineering, transport, health care, as well as international academic communities, which actively evolved throughout the twentieth century, long before the problem of the emergence of a global civil society appeared in scientific research.

The development of global civil society is due to the increased use of technological and financial resources. The first (most important role plays Internet and mobile telephony) that, dramatically, facilitates the process of creating social networks and enables the possible political participation for groups which are geographically far from the world's centres of government. This is perfectly illustrated by the statistics (Fig. 4): the growth of the number of international non-governmental organizations and the number of their participants is much faster in the regions with «middle income» and poorer than in rich regions. In the next 35 years, the rebuilding of forces will continue in the world economy – industrially developed countries of the North America, the Western Europe and Japan will gradually lose their leadership, even in spite of the projected slowdown in China's growth (roughly after 2020). There is a tendency of deteriorating position of the European countries in the rating. During the analyzed period, the average growth rates of the largest Eurozone countries are projected at 1.5-2% per year. Of the major EU member states, the highest growth rates will be in Poland, which will bypass the Eastern European countries in terms of long-term growth.

Fig. 4

**Real GDP growth for PPPs in countries with high levels of civil society development**



Source: calculated by the author for Eurostat, OECD and World Bank data statistics.

In a developed civil society, as well as due to the new information technologies, social differentiation, automation, heterogeneity increases (Weinstein G., 2015), which do not correspond to the trends of globalization, and directly contradict the goals of social consolidation. However, the heterogeneity of society is only an obvious consequence of the diversity of human interests and values. The unification of people into many social entities with private goals, but with no foundation for these groups, without which, no civil society can exist. An active work of the self-organized groups for the protection and realization of rights and freedoms in the basis of actualization of the principles of law: equality, justice and universal necessity is common basis of a civil society.

Obviously, the discrepancy between the challenges of information and technological modernization, the complication and the increase in the number of social ties with the level of institutional social organization is recognized (Marcuse H., 2013). Civil society is focused on the majority, unprofessional control of the society of the country, just as a jury is a non-professional body in resolving the issue of the defendant's guilt.

The idea of a civil society does not depend either on the regime, or on the form of government, or on the availability, or absence of a reference point for a

social state. An increasingly popular theory of the integration of the civil society with the state is a theoretical return to the theories of a late antiquity and the Middle Ages. But, if the syncretism of the civil society and the state of that era was associated with the lack of a universal legal freedom and equality of citizens, at that time, at nowadays, such identity is foreseen on the basis of the state policy of the social state building (Evans P., 2012).

The state is not a certain impartial arbiter over social relations. The state as a whole, as well as the bureaucratic apparatus of this financial institution, has its own interests, goals and is one of the subjects of the social relations.

At first, globalization was associated with the tendency of unification, however the trends in the field of law have shown that the support is not based on the same legal basis, but on the basis of contractual, private law forms, the choice of legal jurisdiction. Although the basic basis of a «natural law» remained the main element. Power is balanced by another force not only in form but also in content. Civil society can not only literally come out and demand restrictions on state appeals and the protection of the rights of citizens. Public law of the state is limited due to the growth of the private law relations. The more relations fall into the category of private law, the lower the proportion of rationing and interference of the state in private life. Is in this sense, the tendency of the development of private law not only accompanies the evolution of civil society but also contributes to the emergence of a civil society, where it is in an embryonic, not an institutionalized state. Peculiar to the civil society, the horizontal nature of ties corresponds to the global tendency of the priority of contractual, private law forms of relations in the XXI century.

Thus, despite the fact that in the post-industrial society, the role of the modern national state is been significantly reduced, responsibility is been redistributed, and to the category of basic functions of the state, the obligations relating to the constitutionally enshrined principle of a social state, despite the convergence of the social functions of the state and civil society, are included; relations between these institutions do not become partners, do not lead to convergence or replacement of one institution by the others. The contradictions between the state and civil society are reproduced in a new information environment, and time for an adequate response from the state to the demands of civil society is shrinking.

### **Conclusions of the author and prospects for future research**

The new economy should become the foundation for the future of a global civil society, which is gradually being formed, a constructive foundation of the global world. It's scientific, technical, social, and environmental components are being traced more clearly and persistently, requiring significant transformations. However, an economic activity, an «engine» of development, does not exhaust it. In the social sphere, political life, the sphere of culture, globalization doesn't have fewer barriers, than in the economy. The novelty of the phenomenon creates additional difficulties in understanding the global society, but a complex of problems generated by the cultural diversity of mankind, increasingly reminds of itself, requires resolution. Moreover, the emerging global civil society does not have a reliable and effective political framework, which makes it amorphous and malleous. The problem of globalization is also the sphere of relations between the global civil society, which is in the stage of formation, and national and state institutions.

Thus, in the course of the study, it was found out that knowledge as a basic system-generating factor brings fundamentally new properties into the character of the national economy, in particular, the increase of the creativity of labour, in the specifics of social relations. While studying the essential theoretical foundations of the emergence and functioning of a new economy, it was grounded that its theoretical reflection is a logical and logical result of innovation development. In our opinion, the new economy was formed as a set of elements of the traditional and the economy and has its own special content elements, based on information and knowledge. Since the new economy is defined as a trend in economy that studies the impact of knowledge on economic decisions. During the systematization of theoretical and methodological principles of the theory of knowledge economy, it has been shown that the emergence of the theory is a direct result of social development.

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