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# Social, Economic and Democratic Development

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**Abstract:** This paper aimed to make a links between social development, economic development and the democracy as a model of governing in the modern states. Economic growth is associated with increasing of economic and social development but also they have influences on each other. The dilemmas that are present in the science are how to make the development process model that will increase the possibilities for employment of the people and for their better living conditions, possibilities for improving the social conditions. The developmental processes could reduce the poverty and social exclusion and would decrease all negative effects that can have impact on the economic and social development.

Key words: development; economic and social development; democracy; model

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#### 1. Introduction

Economic and social developments are results of the capacity of each society and its ability to organize and manage the resources which have and to face the challenges of modern living. Through the exercise of the political processes and with democratic institutions the opportunities could be meeting for the growing needs of citizens.

Democratic development is associated with effective social policy and social protection of citizens. To organize effective social policy on an appropriate level of economic development the social environment is need that can accept social transfers from one group of citizens to another, as in social risk.

The level of democracy depends on the political desire to protect those which such protection is necessary.

The educational institutions, especially universities are those that can offer scientifically based strategies for improvement of the social position of the citizens and for democratic development in the modern societies. The implementation of these strategies is in the domain of the responsible authorities. The success could be better if properly meet the growing needs and requirements of the citizens.

#### 2. Social Development and Democracy

The social development can be defined as development and improvement of the living standard in all areas and activities where the standard of living is directly conditioned. The social development covers three areas: living conditions, working conditions and social conditions.

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Economic growth and development are important and formed the basis for social development in all countries. They are mutually conditioned and causal related. The effort to maintain economic growth has strengthened the basis for social development. On the other hand righteous social development is a necessary basis for the overall development and an important factor in eradicating poverty and strengthening of the market potential and development of democracy.

The conditionality and the cause and effect relationship of economic and social development are the subjects of constant observation. Also constant is the need for social development planning as a process with strategic basis in order to meet the growing needs of society and the balancing of the social relations.

Also the management of social development in the context of planning, organizing, coordinating, monitoring and process of controlling in this area is needed to be separately seen. From the managing of economic and social development depends on the development of democracy and the complex of the social system as a whole.

The precise analysis of systemic causal links on the development and social elements can perceive the relationship and impact of economic and social development and democratic rights and freedoms.

Righteous social development is a necessary basis for development and an important factor in eradicating poverty. Social development is the best accomplished when governments actively promote and strengthen participation in democratic and pluralist system that respects all human rights and fundamental freedoms. Awareness of the consequences of lack of the development and the problems it causes in the world is perceived, and the need for its eradication is emphasized.

### 3. Democracy and Democratization

Democracy is government of the people, where the supreme power is given to the people and running directly through it or through its elected representatives in the conditions of a free electoral system. According to the definition of Abraham Lincoln, "democracy is the management of the people, by the people and for the people." In practice the term democracy means a form of government where all government decisions are carried out directly or indirectly by the majority of citizens through a fair electoral process. A government can be classified as democratic, when these conditions are met.

Democratization in many European countries in transition and in the Republic of Macedonia took place in the complicated conditions. Simultaneously two parallel processes were conducted, and it is the transition and transformation and also several connected activities linked with them.

The transition has meant a transition from socialist to capitalist economic system of social regulation and construction of new democratic institutions that are necessary for the development of democracy, the realization of human rights and to build a market economy.

The second process is the transformation of the state or social ownership of the companies which were transformed in privately owned and some of the public companies remained in the state ownership.

These two processes have caused great social distress and disorders and long-term trends that have influences and impact on social relations.

Transition and transformation are performed in terms of breakup of the former state Yugoslavia, thereby amid serious political turmoil and economic opportunities were humiliated. The traditional export markets for Macedonian companies were lost, and the new are not provided. This reduced the opportunities for quick and fast transition toward market economy and democratic society.

On the other hand the transformation model that was selected in the Republic of Macedonia was implemented very slowly and with lost in time and materials that lead to decreased performance of the whole economy. All it leads to confusions, closing many facilities, factories, plants, etc. and creating an army of 300,000 unemployed. With population of two million citizens these situations raise enormous and complicated economic, social and political problems.

Such negative trends influenced on citizens to understand democratization in difficult prospective an as processes that adverse occurrence and limitation for many citizens. Since then there are feelings and nostalgia especially among elderly people that the previous socialist system was better for living of it's the citizens. It feeds the poor population that democratization process does not bring anything better for most of the citizens.

On the other hand the formation of a small layer of rich citizens or oligarchs that the former socialist directors become owner and masters of enterprises, factories and companies create a sense of injustice for most strata denominated suggest that democracy is not equal for all.

All these related events: transition, transformation and democratization took place amid wars in neighboring countries of former Yugoslav federation. In the same periods the blockades north and south of Macedonia (from Greece and toward Serbia) have created unfavorable business opportunity and thus reduced economic and social growth and development.

Democratization has opened new questions that were thought to be solved and they are the poverty and unemployment, social differences along with refugees and displaced persons, and large nationalisms that led to serious confrontations. As a result of such adverse events occur and the conflict in 2001 in Macedonia which slows down the growth and development and changed the structure of the state.

During the economic crisis 2008 to 2013, there were negative trends that fortunately left no serious consequences even though it has a lower trend growth and limits on development potential.

What university can make or higher educational institutions in such circumstances and in such an environment?

To remind with the proverb: "To give God to be born and to live in an interesting period of time." But we live in too much interesting and complicated time with so many challenges and open issues for which there are no solutions. Many events had been happened that were previously not present; there are new problems that constantly need to look for new solutions and new knowledge.

How the university and the science can get involved in explaining these process and phenomena. The economists, social workers, sociologists, educators can discover causal relationships of these changes. How such new ideas may affect the prediction of growth and the development, and thus the possibilities for solving social needs and requirements in terms of transition and transformation surfaced.

There are limits that are not easily resolved even for more developed countries, much less for the states that are on the level of development like the Republic of Macedonia. This affected the democratic processes and democratic development that in contra also have impact on the economic and social development.

### 4. Social Environment and Global Challenges

At a time when economic liberalization and rapid integration into the global economy often imply growing impoverishment of people and growing inequality, these same processes reduce the government's autonomy and its ability to plan for social security programs. As a result, social problems are increasing and in some cases

become very complex for the countries to themselves to cope with them.

On the other hand in the former socialist countries in transition, changes in the economy have resulted in weakened social protection measures. Unemployment rose, while health care, pensions and social security decreased. Income inequality also increased.

This occurs in a social environment like inner sense and outer sense in terms of the opportunities and chances that are offered to deal with these social problems, by the countries and by the regions.

The question that is posed is what may be covered under the term environment and whether it has any influence on the process of addressing social needs and demands of citizens in a given country. This is especially due to the facts that globalization make understanding the environment relatively, as for the existence of supranational organizations and structures, and for the rapid communication and information opportunities.

In this sense, the environment is the sum of all influences on the system and all its subsystems and active elements that act on it. It is an environment or environment whose existence is a requirement for the survival of any social system also acts as back pairing the system and environment. The impact of feedback in a way that affects the environment and the system has a pronounced influence on the environment. The environment can be seen as:

- (a) system environment (which includes the legal system, political system, systems of education, science, defense, health care, social policy, etc.),
  - (b) environment worldwide (international impact in all areas of activity) and
  - (c) as natural environment.

Within the system include economic environment presents material on subsystems of great economic system which includes social systems and healthcare.

If the environment acts positively new energy development can be get without which any system is doomed to collapse. The action of the environment can be negative in which case it makes increasing costs of the system that alimented parts of the whole. The environment can be wider or narrower depending directly or in terms of particular system or parts of the system or subsystem.

#### **5.** The Economic Environment

The basis of the economic environment is resulting from the development of society. If society is more developed and the environment is wider and more complex and allows entities in the system to generate more links and impacts on the economic system, then the system becomes stronger and more efficient.

Why the economic environment is important? The fact is that from the volume of the generated values or the gross domestic products funds are alimented social needs. The much stronger economic environment is, with the developed material base and infrastructure capabilities, with more funds and resources, then the volume of funds allocated for social area can be increased or decreased.

So it comes to the question of the design of the environment in social sphere, i.e. how to balance the real economic base and economic environment on the one hand and social opportunities and requirements on the other hand. How to ensure social security of citizens in terms of democratic freedoms and in the democratic institutions?

The provision of a satisfactory level of social security is the main objective of any development and macroeconomic policy. Satisfactory social security is countries with highly developed and democratic institutions,

with low unemployment level and high standard of living.

Given that social development covering all areas of living standards and all activities affecting or influenced living standards, some of which include: living conditions, working conditions and social conditions of all citizens, it is necessary to plan their achievement level on macro system. Partial plan does not allow simultaneous coverage of the real possibilities and potentials of society and the environment in the context of addressing social needs and demands of people.

Righteous social development is a necessary basis for overall democratic development and an important factor in eradicating poverty. Ultimate goal of development is to improve and increase human well-being and quality of life for all people. From there the goals and objectives of human development require continuous efforts to reduce and eliminated the primary sources of social misery and treats. Therefore, people must be at the center of development planning that the economy should focus on more efficient satisfying human needs.

#### 6. Developmental Preconditions

The realization of the process of development requires peace, stability and security. Developmental theories confirm that unless there are conditions that allow and encourage development, the level of social development and the living standards generate high rates and effects. But there are other conditions that are necessary to realize social development and democratic processes. These findings not only confirm or deny, but made through in-depth research, they show the relationship between impacts and requirements for achieving higher social achievements.

The mankind has made progress in many areas of development and historical perspectives may offer further development. Development theory has observations that certain elements and systems have a greater impact in accelerating the development and that it is possible to intensify in the future. Impact of political, economic, technological and social nature should be investigated, since they have a direct effect on developmental achievements. Any impact, by itself, gives some positive guidance in the development, but taken together they harmonized action in democratic conditions, they contribute to the achievement of accelerated social development. For precisely these influences cognition, they are analyzed separately.

- (1) Peace. Each evaluation of the development potential should take into account the impact of internal and external social stability of social progress. For example, the end of the Cold War in the 90s significantly reduce the threat of international conflict with catastrophic consequences from the use of nuclear weapons and establish a far more stable and secure environment, which enabled global economic expansion. Military expenditure that preceded this event significantly reduced opportunities worldwide to reduce poverty, hunger, to combat disease, etc. The fact is that the war has limited the development and splits. The peace provides an opportunity for the development and use of funds for development. Blockades in the nineties, the wars in the former republics of the Yugoslav state, the conflict in Macedonia in 2001, had resulted long delays and impoverishment. The revolutions in Middle East and Africa, the wars in Iraq, Syria and other countries shows that without peace there are no any developmental possibilities. War is the destroyer of development and is always accompanied by social shocks that are contrary to the efforts for social progress and development. Efforts for peace and peaceful conflict resolution basically are bringing the human dimension, which favors the development efforts of mankind.
- (2) **Democracy.** Democracy allows stable environment for dynamic social progress. Democratic rights and freedoms of the people as universal rights, enabling initiatives are initiating numerous requests, releasing a

powerful energy for a number of social relationships and broad interactions. Through democratic processes in shaping institutions act to achieving development processes. Development theory should explain the dynamic changes and processes that have an impact on the political and social conditions based on a democratic basis. Hence, these relations and conditions require thorough research and theoretical foundations, to be understood and maintained and can be used in achieving greater development results.

- (3) Social speed. The development is a function of the velocity of social transactions. The speed of movement of information, ideas, decisions, technology, people, goods and capital has a significant impact on the productivity of society and its future development. Improving transportation, communication, infrastructure and information capabilities on modern basis, a significant volume accelerates opportunities for access to modern tools, techniques and findings to all people. Using the equipment and knowledge greatly accelerates the flow of information and knowledge of the people, and therefore awareness of dynamics of social change. The Internet has globalized diffusion of the technique and knowledge and accelerates to unprecedented limits. Thus, a comprehensive theory of social development should take account of these changes, especially the speed of their occurrence in the past and expectations that can have a strong impact on future social development.
- (4) Technical-technological applications. Technological innovations and their diffusion in one hand, and their application is another aspect of the development process. Technological developments in developed societies are significantly advanced and modern discoveries are expected to be permanently applied in practice. In contrast, in countries with lower per capita income and the lag in development, the application of technical and technological discoveries lagging or completely absent. It has a large scale of negative impact on economic growth and social plan of these countries. The differences that arise may reflect how the performance of social activities and in the area ofproduction of the necessary resources for food and living needs of the population. It sets before the theory of social development necessary requirement to learn the preconditions affecting such phenomena and how they can be surmounted and directed, which, through the application of knowledge and technology investment will generate growth and development.
- (5) Global Growth. The global economy has developed more centers and growth poles. The impact of these factors is complementary with the globalization of economic growth and development. In the past, the growth of the world economy was usually managed by one country or several local centers, while most countries had a peripheral role and importance in the world economy. Creating more independent centers of growth and impact on world economic processes lead to the formation bases dynamism of the world economy, which has affected global perceptions of social development. The perception of these issues before the theory of social development sets tasks that must depart, as the economic and social environment, and by national and supranational (multilateral) and policies to reflect the development of the global society. States can exercise different levels and rates of economic and social development, but still needed understanding and common aspects of the development process, given their connection and interdependence.

Today the factor that support and enable the development is mostly known and more or less available. But this is not everywhere and not in equal volume, quality and combination. It is still necessary to develop the fundamentals and requirements to enable development as a complex multidimensional phenomenon and process it to run and maintain. The development of human resources through education, information, technological knowledge, their expansion and diffusion allows the further social development. Through investments in numerous areas of human life, especially in overcoming developmental lag of less developed countries, achieved global social progress, that require further consideration and enabling.

### 7. Development Restrictions

The development process is neither simple, nor is it feasible. On the contrary, the development meets various kinds of developmental constraints, which can be challenged and reduce the actual performance that would be achieved in certain circumstances. Although known more possible solutions for numerous social and developmental problems, they still exist, are expressed and reproduced. If unknown developmental potentials are present and are more common than their understanding of society, the barriers to progress may be stronger and more pronounced, which determine the limiting forces of development.

Although encountered limitations of different types, they can be grouped into three types of obstacles to development, including: limited perception, outdated approaches and anachronistic attitudes.

- (1) Limited perception. One of the most common features of developmental disabilities in all periods, countries and areas of activity is society's inability to fully perceive and predict its future development. This feature is usually followed by conflicting attitudes and perceptions in the opposite tendencies of development opportunities and is expressed as an insurmountable obstacle. Countless times in the history of mankind is faced with beliefs about the end of progress, then to discover, sooner or later, new ways and opportunities to promote growth and development. Although humanity today are not afraid of the end of the Earth, there are powerful perceptual barriers and express themselves about overcrowding, employment, technology, trade, climate, pollution and the environment, corruption, inflation, population size and uneven distribution etc. Errors in estimates of future performance occur when making projections of future development are based on historical trends, even through changes in circumstances radically change opportunities and developmental environment. Looking ahead, often perceived countless obstacles to achieving future progress. But looking back, exploring the scientific basis in history, perceived continuity of development and social progress in general. Hence perception towards development must evolve as the development process and the needs of the people.
- (2) Outdated approach. The most common obstacles to social development are not physical barriers, but outdated approaches in bringing development opportunities and potentials. Various restrictions that are imposed in history led to developmental delays. There are the historical dimensions: Crusades, wars of sea routes, conquering territories, slavery rule, religious restrictions, imperial wars, wars for energy resources and other adverse events, largely exploited the resources and limited the opportunities for greater development people.

The limitations for including women in the democratic, political, economic and social life dramatically limited the developmental possibilities. Isolationist, and imperial policies, divisions and barriers imposed on various grounds, as a result of outdated approaches in understanding and accepting of the social element in human development. The development of science, engineering and technology are entertained as a result of divisions between states and not shearing of scientific knowledge and discoveries. Even basic discoveries in medicine, important for human health, are late in the application because outdated approaches and limitations.

By changing the approach to understanding the development, the development of communication and transportation opportunities and connecting countries within the global institutional relationships, enabled driving processes, thus creating more opportunities for investment, jobs, for growth and development. It confirms that by overcoming the outdated and new development approaches can be improved.

(3) Anachronistic attitudes. Delay in development may be the result of anachronisms and that there are some special justification, but are the result of certain ideas, beliefs, customs, religious views that are not abandoned, etc.. Thus, the high mortality rates for newborns in poor countries are compensated by high birth rates.

With the introduction of modern medicine, mortality declined, but birth rates remained. Even after educating the population is changing the attitude towards these processes and starts not on the number of children that survive, but the opportunities for all children to provide healthy conditions for normal growth, development, and education and so on.

Traditionalisms are difficult to be changed and affect the dynamic developmental processes. The history contains many examples that have proved about the loses due to unused development opportunities. In any case, the central role is on the individual in determining and overcoming limits and anachronistic attitudes towards social development.

#### 8. Social Development and Its Shape

What are the fundamental issues that need to be understood in the social development process and in shaping its democratic conditions? Different views, discussions and concepts can not only focus on the goals and policies for the development and promotion of its results. It must be understood that social development is a process that takes place within the social framework, in a democratic environment and is aimed at achieving higher performance in complex circumstances and conditions in the society. Although measurability is often linked with economic concepts and components, social development includes parts of the political, the technological and social progress is inextricably linked to the system of society. In order to facilitate the analysis of social development, the wider dimensions relating to people, mostly comparisons are focus on economic indicators and the development of those points that have direct interaction and impact on livelihood, which does not reflect the totality of social development.

Many factors determine the process of social development and its influence on the shaping of society. These factors should be analyzed in terms of social organization to achieve this process and formed democratic institutions that coordinate overall social power, knowledge and material resources for the implementation of social development.

Economic growth is different from social development and particularly the notion of human development in general. It is known that high rates of economic growth do not necessarily mean high automatically and social development and improving the living standards of the population. Achieved rates of economic growth not influenced especially the poor in the society and hence special measures, strategies and activities in an organized manner through the system and its institutions should be imposed. It is possible to influence the achievement of developmental effects on a social plan. Just on that way the impression that through democratic processes and institutions effects of development can have the benefits for all citizens.

Certainly there are connections between conditionality and economic and social development, which specifically points out, but there are differences in terms of the real possibilities for diffusion of effects in economic and social framework for solving all problems in the social sphere.

Therefore the theory of social development in modern stresses on the human dimension of development, the humanization of the economic effects of growth and focus is directed towards shaping the development priorities and strategies that facilitate and encourage social development in general.

The development is a process in which human needs are realized, but it also contains the sources and motivation to achieve them, and the realization of aspirations as a function of development goals. It is the orientation towards the human dimension and to detect and encourage awareness of the determinants of the

development and direction of movement of social development which, if exercised in democratic conditions have higher effects. It can be concluded that the same principles apply to the development and social development of many levels and areas of human life, as on an individual basis, and the level of organization of the system, at the national level and the international level. All these forms are expressed parts of the same evolutionary process in which people acquire greater capacity and express that capacity in the use of options and future productive activities and social framework for achieving social development.

## 9. Are There Specific Model for Development?

The question that arises: Are there developmental models that are acceptable for each country? Normally the answer is no, because each country should created its own model without restriction and limitations for development. Could be used the examples or good governance experiences and the achievements results from different countries? It is necessary to avoid mistakes that are present in each society as a result of lack of democratic regulation or social and economic restrictions.

For example for the Republic of Macedonia this means accepting the new reality and experiences from the countries where the state is oriented which are European countries. Also this means formation of an acceptable social model, with restricted influences of the market imperfections and, in their stead, the institutions, especially the national authorities, as well as the local governments, should shape the social processes. Only with assistance to the socially vulnerable layers of the population without jeopardizing the incentives for employment the result could be expected. The changes are needed in the provision of social security model that will reduce or eliminate social exclusion. References to European or other experiences of the European social model do not help to move away from the national specifics. In that way precondition is formation of a functional and sustainable social model that will not produce poverty and exclusion, but will promote social inclusion and growth of the material status of the citizens. With stimulating the sustainability of programs and policies which generate employment and social inclusion the social development will have direct impact on economic and democratic development of the country. Identification is important for the target groups that would be observed and is subject to measures and policies of social inclusion, through a permanent system for resolving the problems of socially excluded people. To reduce poverty and strengthen social inclusion the country should provide conditions for introducing an adequate minimal income that will be sufficient to satisfy a minimal living standard of the citizens.

#### 10. Conclusion

The organization of society include human capacity to collect all available information, knowledge, resources, technology, infrastructure and human skills, discover new opportunities, cope with challenges and to shape the direction of progress. The development comes through improving the human capacity for organization and shaping of social development to seize opportunities and to face the challenges. The development, however, the organization can be improved through the shaping of democratic institutions, the legislative norms and regulations that lead to design and optimization of management systems. Advances in social processes are visible when organized and control systems correspond with the increasing demands of citizens, which have taken the form that expresses the growth and development through measurable indicators through which compares internationally and on democratic principles.

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