



## LOST FREEDOMS OF GENERATION CAUSING DESTRUCTION OF ECONOMIC GROWTH'S POTENTIAL

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### ABSTRACT

This article reflects our attempt to show the failure of economic growth factors, namely, the human capital factor. Obstacles to achieving economic growth indicators are lost human freedoms, which significantly undermine the quality of human capital. The concept of human capital itself is as cynical, far as it ignores the true aspirations of man. The parameters of economic expediency and the wanting for economic growth require strict subordination, quite often, to an abstract idea and not quite a "healthy economic fantasy." The inner freedom of man will be subject to external circumstances. Restrictions of freedoms, the subordination of life to ideas, including ideas of consumerism, will destroy even illusions of economic growth. The reason for this destruction will be the growing resistance of man in an attempt to restore the lost freedoms. Educating a person in the conformism' spirit, living in a "royal (court) system" significantly reduces the opportunities for economic growth. Conformism is considered as a convenient form of existence in a rapidly declining passionarity of society. The conflict of "passionarity – conformism" with allocation of favorable conditions of development of the last is considered. It is shown that conformity, causing professional powerlessness, initiates the conditions of falling economic growth.

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## 1. INTRODUCTION

In rare cases today, when considering the problems of economic growth, it is possible to avoid an interdisciplinary approach. The factors of its achievement are so diverse and ambiguous that there are more questions than answers. We have come to the point that the significance of key theories (Th.Schumpeter, S. Kuznets, T. Schultz, etc.) and their indisputability today can be considered a consequence of the authority of their authors, and the doubts that arise become a variant of a critical attitude to the postulates of economic growth.

Significant interest in the study has always caused factors of economic growth, which often

became as criteria for the development of its separate models. We are familiar with the so-called exogenous model (model of Harrod — Domar model Solow), the endogenous model (e.g., model Arrow-Romer), the model of endogenous development of technology and population growth, the Mankiw–Romer–Weil model, Uzawa-Lucas model of innovation growth of , model' uneven distribution of wealth, the model of Ramsey — Kass — Koopmans, model of overlapping generations of Samuelson-Diamond. However, our attention is more captured by theories that questioned whether the consequences of economic growth are harmless; whether there is no downside to the very economic process, where growth is the goal itself. That is why the theory of "unprofitable economic growth" by Herman Daly will be interesting for us (Daly, 1989).

The main idea is to consider the possibility "...to embed the economic system to system of natural processes <...> need to understand that the economic system is firmly built into the scheme of global biochemical cycles and flows of matter and energy in that cannot to doubt and even not to ignore" (Shmelev, 2019).

## 2. METHOD

This study collects and analyzes multi-information from multi-sources especially the studies related to activities of a wide spectrum of developing countries finds consistently strong proof that rapid and sustained growth is the most critical means to reduce poverty. A standard estimation from these cross-country studies is that a 10 percent rise in a country's average salary will reduce the poverty rate by between 20 and 30 percent. The central role of growth in driving the speed at which poverty declines is confirmed by examination on unique countries and organizations of nations. For example, a flagship study of 14 countries in the 1990s found that for the decades, poverty came in the 11 states that encountered meaningful growth and rose in the three countries with low or stagnant growth. On average, a one percent increase in per capita income reduced poverty by 1.7 percent. Among these 14 countries, the reduction in poverty was particularly spectacular in Vietnam, where hunger dropped by 7.8 percent a year between 1993 and 2002, dividing the poverty rate from 58 percent to 29 percent. Other countries with impressive discounts over this period include El Salvador, Ghana, India, Tunisia and Uganda, each with declines in the poverty rate of between three and six percent during a year. The median GDP growth rate for the 14 countries was 2.4 percent a year between 1996 and 2003. Numerous other country studies show the power of growth in reducing poverty studying these statistics counts as a method to analyze the growth factors. However, the failure in the growth factor is on the opposite point. In this study, we aim to analyze the failure of economic growth factors, namely, the human capital factor using vice versa methods. The tool of investigation here is considering the reasons for the promotion of some countries and studies the lack of those options through failure of some countries.

## 3. DISCUSSION AND RESULT

Hardly anyone of us is born with the idea of necessarily contribute to the economic achievements of the native state. We are losing the fundamental freedoms that are given to us by "human right", we are subject to the mythical aspirations of "developed economy", which take away from us the right of life itself.

Let's ask ourselves: what do we have? The first five-seven years of life when we can't do

anything yet, and the last five-seven years when we cannot do anything already. And the rest is subordination to the system of creation of the "economic man" in accordance with the given trends of economic development. Isn't that the loss of liberty without a right of recovery? We are brought up in the spirit of conformism: "....the education of the people is kindly provided by the ruling class. Naturally, it is built in the interests of this ruling class. And better means than the poor quality education, no one has yet invented.." (Bach, 2019).

We have only the right to agree, but the right to freedom of expression of our thoughts goes away: "...If earlier the justification of his own position required from the student detailed argument based on the reader's and life experience, the new edition { Unified State Examination (USE) on Russian language and literature in Russia' secondary school} it requires formal consent/disagreement the point of view of author..." (Gazeta, 2019).

Such a system of thinking is quite convenient for any state. A person is clearly focused on meeting most often economic needs, obedient, initially loyal, focused on getting the money supply as the main pleasure in life, considers small as enough, spiritual as a whim. Getting as interesting "...ideology, outwardly caring about justice <...> A typical example of this is the so-called Bologna reform of universities, which is to limit the objectives of education by interests of economy and restrict access to research <...> Such "reformers" turn universities into ossified correctional institutions, which should be useful for the poorly educated <...> In the end, the last opportunity to get acquainted with what is named as essence of University education, was abolished in universities". (Pfaller, 2018).

"..Such "Resentment" only increases with the growing bureaucratization of the world, by virtue of which parasitic types of activity a purely functional order are multiplying, having absolutely nothing creative in themselves and in fact aimed to prevent any possible creative activity"/ (Marcel, 2018). These words were written in 1951 by Gabriel Marcel. But they are now becoming the most relevant. The quality of economic growth depends not on the underlying economic illusions, but on the creation of the true and, above all, valuable for the person himself. Then the human capital growth would be obvious and undeniable, and there would be no need to talk about the social consequences of economic growth.

Little later, in 2012, Maurizio Viroli (2014) described with amazing accuracy the system in which each of us is regardless of the time and place of the event, comparing society with the "royal court system". "...Age-old moral weakness <...> lack of self-esteem, which is sometimes disguised as arrogance, makes you put up with dependence on other people: since I'm a little worth, why should I not serve the powers that be, if I benefit from it" (Viroli, 2014). We begin to respect ourselves not for the qualities inherent to person as value person, spiritual person, but for the number of benefits available to us in the "royal court system" <... > access to public honors and careers is governed by the iron logic of personal connections.." (Marcel, 2018). The court system deprives us of freedom of expression; where there is no freedom that stems from the desire to be master of oneself, one's physical and mental abilities. This is far from being a situation of "high-quality human capital", which is so eagerly recognized as a factor of economic growth. And in this situation, none of the overwhelming "royal court systems" will be successful in the long run.

The loss of freedom is the reality in which we exist. Economic and "royal-court" dependencies are what we find ourselves in from the moment of birth. Freedom as a condition of significant quality of human potential is an internal state, but, unfortunately, depends on external circumstances. Not so much depressing lack of economic (money) opportunities. This is a purely situational problem that can be solved every minute by each of us, and more in line with the famous saying of Mahatma Gandhi: "World is big enough to meet the needs of any person but too small to satisfy human greed."

More depressing that we are in our lives pervasive dependent on the incompetence of other people, that worse - on their stupidity and nonsense. This extends to all spheres of our life. And in this situation, it becomes impossible to talk about preserving freedom of choice. There is no choice, therefore there is no freedom of choice.

The professional competence of the spheres of human life falls sharply. We are ready to pay a considerable unofficial payment for giving birth child, for the opportunity to get a good education, to be at the "dedicated doctor", and not at the "unprincipled mediocrity". Our choice of profession is not subject to the interest, abilities, and talents, and the search for the greatest earnings to match the imposed status by society. Freedom today –struggle of the individual against the power of society, against degradation in the pursuit of economic growth.

"Deconstruction the social state", with which facing each of us transferred to the local practice of management in many organizations. "Capitalism, freed from the ballast of social obligations, has led to a fantastic rise in inequality and has not caused economic and technological growth. But the elitism of power leaves no alternative <...> Stable employment, social security, investment in human capital and professional growth are all rapidly becoming a thing of the past. <...> In the new society, the social paternalism of the state is discarded so that everyone can count only on himself. But in fact, the fate of man increasingly depends on what inheritance he will receive - just as it was in the days of Balzac and Pushkin." (Sakhnin, 2018).

So it turns out, that if you do not discard the value of human life, economic growth is unlikely to be achieved. As an analogy, we can give an example of unrestrained use the natural resources to the detriment of the existing ecosystems and biosphere of the earth. Yes, a person, unlike the ecosystem, is reproducible unit, but the point is not in the number. The quality of human life, the term "human capital" itself, assumes some dose of cynicism. The main goal is "public good", comparable to the achievements of economic growth. But its meaning (in a situation of rapid destruction of one of its own significant conditions – "human capital") is undoubtedly in great doubt.

By our own reasoning, we have come to what Bernard de Mandeville described in 1714 in the "Fable of bees", the commentary of which we find in Christian Laval's excellent work "Homo Economicus": "... in the earthly city, material well-being and practical morality cannot exist at the same time. <...> Private vices are a public good that shows that the shortcomings of a vicious person can benefit civil society to play the role of moral virtues. <... it was because each part of the hive was individually full of vices that the whole hive was Paradise. <...>One must be mad, the moral of this fable tells us, to desire the fusion of honesty and wealth..." (Laval, 2010)

In our case, the main vice is the deprivation of human freedom. Can be clarify -freedom what, can be not to do this, but to live in conditions moral weakness benefits; to "cost more" man it is important

not contradict system. At whatever level a person would not be, it is beneficial for him to "agree", the ideology of conformity steadfastly realizes itself. Conformism - a very convenient form of existence in a rapidly declining passionarity of society.

The "passionaries" ' era (Gumilev, 1989) as those who possess: "... by innate ability to absorb more energy from the environment than is required only for personal and species self-preservation, and to give this energy in the form of purposeful work to modify their environment.." unfortunately passed. Such people appear from time to time, according to the so-called "stochastic" or random effect (from the Greek word "stochastikos" - "able to guess"), not depending on the degree of need for such an appearance.

The practice of contrasting "passionary-conformist" can be an attempt to consider the reasons why the ideas of conformism have become more attractive for the practice of management, regardless of the level of management. Gradually, imperceptibly, from an early age to the end of our lives in modern "civilized" society, a person is taught that he should not think himself, choose, dream. The main thing, insidious and that the most terrible, imperceptible, is the introduction of the virus of consumerism into the consciousness of man. This is the real reason for the desire for economic growth.

But that and is a system error: a person in a situation of excessive consumption does not want and then is not able to generate intellectual potential. Education on the principle of "simplification of personality", ignoring the fundamental Sciences, generating "practices of economic expediency" of the profession, leading to a general fall in morals and simplification of morality, does not lead to the desired rate of economic growth.

#### 4. SYNOPSIS REMARK

Lack of stability and inherent inequality, the cynicism of economic expediency, exclusion from business practice of the principle of social responsibility – something that each of us faces, but in a single case. The parameters of organizational and economic efficiency directly require us to abandon ourselves, to change our nature, knowledge, and principles, to abandon the experience. There is a strict requirement - to submit yourself to someone's abstract idea and not quite healthy "economic" imagination.

Place of work sometimes exhausts itself out much faster than we expect. Exhausts in all senses of the word. Professionalism, knowledge, and experience have long ceased to be criteria for professional growth, and the success of the organizations themselves. The manifestation of humanity and compassion, have become what becomes an absolute obstacle to achieving the criteria of economic efficiency. Just as the state cynically renounces man and true values, so do individual organizations renounce their employees. Each of their criteria of rational and cost-effective management destroys those who are the essence of any organization. Let's just offer a choice: who does the same client need? Indifferent cynical management with a benchmark of economic efficiency? Or a socially-minded employee who cares about the conditions in which the client found himself?

But every day we will continue to "break" our own employees in the name of it what they will never have. The feeling of dissatisfaction is equally built-in most of us today. It is largely due to the

fact that in an organization "people against human." Each of us has a different degree of perception of what is happening, but we all go through about the same. Every day we are faced with a dilemma: the choice between professional (and therefore personal) freedom and status in structure of organization.

Loss of freedom can be considered a loss of personal identity. But otherwise, exist in the organization just does not work. Own professional view has long been perceived as a threat to the status above standing. A wise man often cited as the person a fool. The situation "people against human" is repeated. Few of us accept such a position in the organization. To live in a state of anxiety is to live in a state of emptiness and impossibility of one's own development and missed benefits. Is a long time in this condition is unbearable?

It is very difficult to call such behavior of employees cost-effective. But then it is not necessary to talk about the potential of economic growth. The loss of freedoms as a result of the deconstruction of the social state, living in conditions of economic and "royal court" dependencies, the constant and painful choice between professional freedom and status in the structure of the organization are not those factors that meet the criteria of economic feasibility and desired economic growth.

## 5. CONCLUSION

Increasingly, the question arises – how long this situation can and will continue? "Houses of cards" crumbling always. Awareness of their own lack of freedom from economic circumstances, the subordination of life to the ideas of consumerism destroys even the illusion of economic growth. The reason for this destruction will be the growing human resistance in an attempt to restore the lost freedoms.

Conformism, realizing itself in the practice of management, will cause professional skepticism, because even timid criticism of the existing hierarchy of management can turn into a professional collapse. Realizing professional powerlessness, the levels of management will begin to ignore each other, initiating the conditions of falling economic growth.

It turns out that it is not so easy to fit economic interests into the world of every person. The reason for this is the selfishness of the concept of economic growth, its factors, the developed models. This is not a critique of existing theories, it is a desire to draw attention to the impossibility of achieving the economic well-being of the system by pursuing exceptional rationality in the behavior of "Homo Economicus".

People teach themselves to live in a different system of values, not peculiar to their own nature. But how much do we need such a "replacement"? Maybe, according to Epicurus, "... and in a miserable life we need to know the measure?" It is necessary to revive the principles of social responsibility of the organization and the state, and only then install the criteria of economic feasibility. The principle of "from the particular to the General" becomes more reasonable in the context of the desire for the "public good". In an attempt to achieve harmony between economic and social, it is first necessary to understand the person, his personal "I", his true, not imposed needs

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## 7. DATA AVAILABILITY AND MATERIAL

Data involved in this study can be requested to the corresponding author.

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