

# Mechanism of Strengthening Social and Labor Potential of Sustainable Development

## Mechanizm wzmacniania społecznego i pracowniczego potencjału rozwoju zrównoważonego

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### Abstract

The article considers the conceptual basis for strengthening social and labor potential of sustainable development in the context of economic efficiency and social justice. The essence of the categories *social potential*, *social capital* and *social imperative* in their interrelation with the social and labor sphere of society with the account of the needs of sustainable development is specified. Strengthening of social potential is considered as a complex of actions in such areas as education, culture, health care, economic and social spheres, social relations. The paper focuses on strong interconnections work – employment – labor potential – social potential – human development – sustainable development. A mechanism of strengthening social and labor potential through the transformation of employment in the context of the paradigm of sustainable development is suggested.

**Key words:** social and labor potential, sustainable development, Sustainable Development Goals, social and economic efficiency, social and labor relations, transformation of employment, social capital, social justice

### Streszczenie

Artykuł przedstawia podstawy pojęciowe dla wzmocnienia społecznego i pracowniczego potencjału zrównoważonego rozwoju w kontekście efektywności ekonomicznej i sprawiedliwości społecznej. Ukazano istotę kategorii *społeczny potencjał*, *kapitał społeczny* i *imperatyw społeczny* w ich współzależności ze sferą społeczną i pracowniczą społeczeństwa, z uwzględnieniem potrzeb zrównoważonego rozwoju. Wzmacnianie potencjału społecznego następuje poprzez złożone działania mające miejsce w sferach takich, jak edukacja, kultura, opieka zdrowotna, sfery ekonomiczne i społeczne, a także relacje społeczne. Artykuł koncentruje się na silnej współzależności: praca – zatrudnienie – potencjał pracy – potencjał społeczny – rozwój człowieka – zrównoważony rozwój. Ponadto ukazano mechanizm wzmacniania potencjału społecznego i pracowniczego w kontekście paradygmatu rozwoju zrównoważonego.

**Słowa kluczowe:** potencjał społeczny i pracowniczy, zrównoważony rozwój, cele zrównoważonego rozwoju, efektywność społeczna i ekonomiczne relacje społeczne i pracownicze, transformacja rozwoju, kapitał społeczny, sprawiedliwość społeczna

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### Introduction

The global process of sustainable development based on three basic imperatives: economic imperative which includes the formation of an effective economic system harmonized with the ecological factor; social imperative which affirms the human right to a high standard of living in safety conditions, and

ecological imperative defining the conditions and limits for the restoration of ecological systems as a result of their exploitation. Given the principled position of the sustainable development concept that the development must be carried out for the sake of human, primarily through an active participation and by forces of an individual, quality of social and labor potential of the society, including the nature of hu-

man labor and employment as its most common form, plays an important role for the consistency and synergy of the influence of all three above-mentioned imperatives.

Taking into account the statements and conclusions of the final report of the United Nations Summit on Sustainable Development *Transforming our world: the 2030 Agenda for Sustainable Development*, the *Human Development Report, 2015*; *Work for Human Development, 2015*, a number of other international reports (*Navstrechu 'zelyonoy' ekonomike: puti k ustoychivomu razvitiyu i iskorene niyu bednosti, 2011*; *Employment Implications of Green Growth: Linking jobs, growth, and green policies. The OECD report for the environment ministers, 2017*), we can state that in the next decades a driving force of social transformations towards sustainable development will be globalization, digitalization as a new stage in the technological revolution, based on computer technologies, and ecologization of production. Globalization fosters global interdependence, including job creation and destruction systems. The technological digital revolution and the growth of demand for *green* products open up new ways to attract people to socially useful activities, create new conditions of work, business and organizational models. They influence the distribution of labor demand across sectors of the economy, quantity and quality of jobs as well as the distribution of income and wealth (*Human Development Report, 2015*; *Work for Human Development, 2015*).

However, such transformations make changes in the nature of human life less linear and less predictable, bringing both new possibilities and new challenges and risks. According to the ILO report, *World Employment and Social Prospects 2015: The changing nature of jobs (World employment and social outlook 2015: The changing nature of jobs, 2015)* work is becoming more creative and flexible, but at the same time more complex and less secure. The traditional employment model, in which an employee performs paid work in the employment relationship with a particular employer, having a fixed workplace and full time, is less and less dominant in modern labor world, covering only a quarter of the employed population. The situation is complicated by the inability of the standard policy to ensure adequate protection for employees in all types of employment. Along with the flexibility, autonomy and meaningful diversification of work, most new forms of employment increase the risks of intensifying labor, increasing stress, blurring lines between work and private life.

Processes of digitalization of the economy are characterized by the dual nature of consequences. The Report to the Club of Rome of 2018 *'Come On!' Capitalism, Short-termism, Population and the Destruction of the Planet* (von Weizsäcker E.U., Wijkman A., 2018) states that almost half of workplaces are at high risk of automation, and in the next decade,

80% of all professions are expected to require STEM skills (Science, Technology, Engineering, Mathematics). Similar challenges also appear in the context of the trend of *greening* the economy, in particular in connection with the predictable elimination of the so-called brown jobs with mostly low- and middle-skilled workers, who, as the global experience of restructuring the old industrial regions shows, are often unable to quickly retrain and adapt to new conditions.

The formation of new challenges, both external and internal, requires the development of adequate measures to strengthen human, social and labor potential of the population, differentiated, flexible and advanced adaptive mechanisms of converting social potential into real prerequisites for sustainable development, and institutional support of these processes. Accordingly, the purpose of the paper is to reveal the conceptual basis of strengthening the social and labor potential of sustainable development in the context of economic efficiency and social justice. To achieve this goal it is necessary to clarify the essence of these categories in their relationship with the social and labor sphere of society, which is necessary to specify the regulatory role of the state and other institutions, mechanisms and tools of impact; to define the conceptual framework of the policy of strengthening social potential, its conversion through employment into sustainable development; to reveal priority activities on this way.

### **The essence of the categories of social and labor potential of sustainable development**

Studying the problem of sustainable development, publications use the concepts of *social potential*, *social potential of society modernization*, *social resource*, *social capital*, *labor potential*, etc. Despite the common interpretation by many researchers the initial concepts of *potential*, *resource*, *capital*, there is no coherent understanding of the essence of social potential. First of all, we should proceed from the fact that it is a multilevel and multicomponent category. Human potential is not an arithmetic component of social potential (many researchers have exactly this opinion). Social potential can increase or decrease the social impact of human potential. Since positive sense of social potential manifests itself primarily in the level of harmonization of social relations in society as a whole and within certain functional and territorial communities on the basis of cooperation and partnerships, implementation of such relations ensures not only effective use of human potential, but also harmonizes social behavior of individuals within and beyond economic activity.

The key point of the approach of finding conceptual ways to strengthen sustainable development potential is the statement of multidirectional impact of social potential: it can provide *development or disinter-*

gration. That is, depending on the quality of social relationships (networks) and social institutions formed in society, they are a factor of restraint or, on the contrary, stimulate transition to sustainable development model.

It is necessary to distinguish between social potential in the broad and narrow sense of the word, namely, the possibility of society as a whole (social = public) and as a specific kind of potential which society possesses along with economic, financial, military and other kinds of potential. Since a person lives and works at the same time in many spheres of life, we can talk about social potential in relation to specific spheres of society's life, for example, economy, or employment, as well as systematically – about the sustainable development potential as an aggregate potential of social actors, social relations and social institutes ensuring the development of society on the principles of sustainability.

In turn, the category of *social capital* can be considered as one of the sections of social potential that relates to economic relations and has a positive (productive) orientation, whereas, as we have already mentioned talking about social potential, we do not exclude the possibility of its restrictive, destructive impact. In the monograph (Bandur S.I., Bohush L.H., Zaiats T.A., 2010) social capital as a social and economic category is considered as a potential of individual local social groups to organize their own action in such a way as to have higher competitiveness compared with other social groups in the same society. Social capital is defined as a potential of common and useful complementary and synergetical interaction of individual local social groups. Consequently, social capital is a social and institutional resource that ensures the achievement of the sustainable development goals through cooperation and partnership, trust and responsibility taking into account the overcoming of contradictions in the development of economic, ecological and social spheres (Bandur S.I., Bohush L.H., Zaiats T.A., 2010). Accepting *capitalism* or economic component of social capital is a key methodological postulate of the social and economic category, which, *characterizing the quality of social relations can at the same time eventually bring benefits to society as a resource invested in production* (Bandur S.I., Bohush L.H., Zaiats T. A., 2010).

According to the social and anthropological approach, social potential is generated, accumulated, shaped and used by people, but it is not limited to any one individual and cannot be attributed to a certain individual.

The social and economic dimension of this problem reflects the impact of the above-mentioned processes on the economy, focusing on such basic principles as the interaction of trust and economic development, interaction of human and economic development, institutional, social and humanitarian transformations, etc. Social potential of community (institutionalized

formally and informally consequences of joint actions) either creates opportunities for the realization of human abilities, integrates and invests human potential in the growth of human development, or restricts and prevents the concentration, manifestation and accumulation of a new quality of human abilities, as well as reduces human resources to the level lower than an individual would have in any single case.

Thus, social potential is considered a property as a result of joint action and interaction to increase human potential, to ensure its realization with actual outcomes (resources), or to reduce human potential and dampen its transformation into resources, which is a factor of the social exclusion of an individual. The field of social potential is heterogeneous. The growth of social potential can increase the resources of some groups and reduce them in others. Even at arithmetic equilibrium of additional and lost local social potential, the size of difference of the potentials is subject to exponential laws. Each increase in the difference of the human potential and resources, as well as the duration of this difference leads to a sharp drop of the constructive social potential and increase of the destructive potential, which must be considered in developing relevant government policies (social, regional, economic, etc.).

The difference of the potentials of different points in the social field generates tension and movement to overcome, or additional efforts are made for the artificial maintenance of the social field solidarity without reducing social tension. On the one hand, social tension of a certain degree and character increases searching for new variants and forms of joining social potential. On the other hand, the increase of social tension and its disorienting nature lead to the search for ways of destroying social potential or its localization. Thus, we can speak about Pareto efficiency principle. This optimality specifies the structure of opportunity field, satisfying the economic criteria (increases economic efficiency), but generates significant inequality (reduces social efficiency). Therefore, it is reasonable to introduce a concept of social optimum which states that the change in the difference of social potentials leading to disequilibrium of constructive and destructive social activity, is nonoptimal. (Bandur S.I., Bohush L.H., Zaiats T. A., 2010). The authors of the scientific report *A decent level and quality of life of population when forming the social potential of sustainable development* define social potential of sustainable development as accumulated possibilities of society to ensure such economic and social activity that satisfies the needs of effective and economical use of available resources, preservation of resource development opportunities for future generations, support of economic, social, ecological safety and formation of a self-reproducing cohesive ecological, social, and economic system (Antoniuk V.P., Hrinevska S.M., Prohnik O.D., 2012).

### The structure of the social potential of sustainable development

They suggest including human potential, human factor of production, system of social relations, social consciousness, social infrastructure, social policy into the structure of the social potential of sustainable development. These processes provide the formation of production and consumer personal factor according to the requirements of sustainable development, as well as the formation of a conscious and socially responsible member of society that is the basis of transformation of sustainable development from target to reality.

To achieve this aim, it is necessary to change the behavior of humans who destroy resources for their existence in general, and especially for worthy existence today and in the future. The manifestation of socially irresponsible behavior is caused, on the one hand, by the rooting of its consumer model, and, on the other hand, by the priority of economic goals over social (economic efficiency over social one), when there is an imbalance between economic benefits, social interests, ecological costs. In practice, the implementation of modern resource saving technologies, increase of the efficiency of economic activity are often accompanied by the extension of consumption and subsequent increase of the burden on the environment.

According to A. Galchynskiy, one of the most challenging tasks of today is to seek tools to overcome the *consumer society* ideology, in which rationality of consumer demand is lost, there is a gap between consumption and satisfaction of real human needs, *false* virtual by their nature needs with primary motive of possessing are formed (Halchynskiy A., 2010). The logic of further development states the need for harmonization of social relations. To this end, a person and society should learn to live and act in a way that *makes social efficiency attractive*.

Based on these considerations, O. Novikova considers the social potential of sustainable development as a combination of opportunities, abilities, readiness of the society for transformation to satisfy the needs of preservation and development of human, resources for a decent life of present and future generations, balance and safety of economic, social and ecological spheres (Amosha O.

I., Novikova O.F., Antoniuk V.P., Zaloznova Yu. S., 2014). This definition emphasizes the importance of human potential in the structure of social potential and its role in defining the content and orientation of the society's needs in relation to other components of the social potential (social relations and social institutions, social sphere and infrastructure).

### Social imperative in the context of sustainable development

To further study social potential in the context of economic efficiency and social justice, there is a need to expand the conceptual and categorial framework of this problem, since the concepts of *social imperative*, *social imperative of economic activity*, *social imperative of sustainable development*, etc. are increasingly used along with the concept of *ecological imperative* in publications. The dictionaries interpret the category of *imperative* as a set of the most general principles, requirements, orders, instructions to act in one way or another; or as one of the forms of strict guidelines created by the culture of a specific epoch as a model for universal imitation which is obligatory for all members of society. The relatively settled category of *ecological imperative* is mainly considered as a system of scientifically grounded norms and rules, regulations and prohibitions to strictly regulate human activities according to the laws of biosphere and formed in it natural biochemical cycles. Considering multidimensionality and complexity of interactions in the system *nature – individual – society* the ecological imperative under its specification can be represented as a system of derivative imperatives, namely, economic, social, legal, etc., reflecting various aspects of people's relationship between themselves, and with environment both in everyday life and economic activity. In this case, not only the factors of interaction between society and nature are analyzed, but primarily active nature-transforming (often nature-destroying) human activity which is an element of social consciousness as well. Even if science is able to determine the limits of marginal burden on nature (according to N. Moiseev (1993), there is no guarantee that people in their activities will keep to them and coordinate their actions and needs with the nature opportunities. In fact, the ecological imperative requires a new way of thinking, reorientation of most of the person's value scales, which necessarily requires a change in moral and ethical standards. (Khvesyk M.A., Stepanenko A.V., Obykhod H.O., 2014). Consequently, *social imperative in the context of ensuring sustainable development* should be considered as a set of basic requirements for social relations and interactions in society, whose implementation is necessary to maintain the sustainability of the social, ecological and economic system. In its most general form it can be defined as a total ecologization of individual's and society's consciousness and outlook. In this context, social imperative is the basic requirement and guideline for strengthening and forming social potential in accordance with the principles of modern paradigm of sustainable development.

### Spheres of strengthening of social potential

Sustainable development as a result of the use of opportunities for the growth of social potential can be considered in several aspects. First, it can be considered as a dynamics of social system of a certain level, where the social optimum is achieved and is not destroyed under the influence of internal and external factors. Second, it can be examined as a system orientation for the implementation of the modern concept of sustainable development into the social practice. Thus, the strengthening of social potential leads to the realization of certain actions in various spheres.

*In education* it is the introduction of the so-called *education for sustainable development* into the traditional educational process. It expands the scope of noospheric and ecological education and allows all aspects of educational activities to develop in the context of sustainable development, the variety of topics of which makes it possible to create a systemic mechanism for the transformation of semio-life priorities at the individual level, to master competence of relevant social interactions (organization of social networks, public control, environmentally responsible social entrepreneurship, etc.), and therefore – to provide a proactive function of education to model social processes.

*In culture* it is the formation of ecological culture, and more broadly – of general culture of life and consumption of public goods. Sustainable development has a spatial association, therefore, ecological culture is seen as a territorial manifestation of ecological consciousness. It is a combination of ecological knowledge and ideas about ecocultural traditions at a person's place of residence, as well as its personal qualities, formed as a result of environmental education, reflecting the rules and norms of environmental behavior adopted in the particular society. Ecological education is an external behavioral manifestation of the level of ecological culture, and environmental responsibility is one of the criterion of the formation of a certain level of ecological culture.

*In economic sphere* it is the availability of economic conditions and opportunities for safe and decent life for present and future generations; rational attraction, consumption and use of natural resources; achievement of such technogenic loading that does not exceed the possibilities of the natural environment for self-restoration; predominant use of high-tech resource-saving technologies in production; socialization of the components of economic policy (structural, investment, pricing, budget, monetary, tax, etc.); economic stimulation of the subjects of production relations in the preservation of natural and material resources; state regulation of expenditures for social purposes in view of the requirements of economic growth; the balance (coherence) of the

economic, social components of sustainable development; stimulation of innovation development considering social and environmental requirements.

*In social sphere, in social relations* it is the acquisition of spiritual and moral values; formation and implementation of social norms and principles; sustainability of human development, reducing and minimizing economic, social and environmental risks; non-conflict integration of economic, social and environmental systems; ensuring sustainable processes of simple and expanded reproduction of human and labor potential, social and intellectual capital; observance of human rights and freedoms; active work of associations of citizens in the process of transition to sustainable development.

The identified directions of actions require the establishment of institutions for attracting individuals, different social groups and local communities, non-governmental organizations, as well as businesses to identify and introduce the basic values of sustainable development, to discuss and make managerial decisions on the use of limited resources, public safety, etc. The main components (mechanisms) here are: comprehensive information of the public on the initiatives of the authorities in the field of sustainable development, the content of relevant programs, projects, plans; involvement of the general public in the adoption and implementation of relevant decisions; support of public, non-governmental organizations. Issues of public information, as well as propaganda (spread of positive precedents) and explanations of new principles and procedures for the implementation of state policy are relevant.

*In the field of healthcare*, the implementation of modern concept of sustainable development needs focusing on determinants of health, in particular on harmful factors related to lifestyle, improving the health information system at all levels of society, creating a mechanism for rapid response to major threats to health and sanitary well-being. In our opinion, a healthy lifestyle is a form of life-oriented, focused on the preservation and reproduction of health, which is an important component of the human potential of each person. A healthy lifestyle can be implemented as a normal functioning that does not do any harm to the human body, and can become the society's active position – an element of social potential, when health is seen as a conscious life value that can only be realized in harmony with the environment. This is about the reasonability of the formation of a three-vector system of health at all organizational levels, where the ecological vector indicates the need to create an environment that promotes health improvement; the valeological vector emphasizes the stimulation of a healthy lifestyle and physical self-improvement; the medical vector enhances the availability of quality medical services for all social groups, and so on.

Realizing the complexity and multidimensionality of the concept of *social potential of sustainable development*, this study focuses on the relationship of **labor – employment – labor potential – social potential – human development – sustainable development**. Thus, in view of sustainable development processes, employment is a determining socially acceptable form of inclusion of the population in the economic process, a socially productive form of realization of human creative activity, a marker of social position within the social status hierarchy, and an organic dimension of human existence as such. Accordingly, the employment policy must fulfill social, macroeconomic, technological, environmental, humanitarian, cultural and other functions (*Staly i liudskiy rozvytok: zabezpechennia spravedlyvosti: Natsionalna dopovid*, 2012).

Forming the concept of the transformation of social and labor potential in the framework of transition to sustainable development, first of all, it is necessary to be guided by the axiomatic statement: the sphere of employment is not a monoobject, but a polystructural organism functioning on the basis of vertical and horizontal interactions and belongs to the system of world economic relations. According to this understanding, the presence of developed labor potential is a prerequisite (but not obligatory) of sustainable development. And if in the area of the problems of *labor potential*, knowledge and other productive abilities of the person are of interest in the context of the question about the possibility of realizing specific economic goals, then in the aspect of *social potential* – in terms of opportunities to realize labor potential in accordance with certain social goals, thereby influencing the quality of life of the owner of the labor potential and society as a whole.

### Globalization of social and labor relations

Today, in the global dimension, *nature of social and labor relations is completely changing*. First, there are changes in the psychology, hierarchy of interests and values of the employed population, in particular, the material interest stops to be a priority, and the progress of modern society provides intangible values and interests. In the foreground there are new demands for more informative activity or activity which is recognized by the society as productive and corresponds to the interests of self-realization of an individual. However, with the increasing relevance of such processes, the problem of their impact on the stratification of society is exacerbated.

An important vector is the emergence of a new social and labor mentality and individualization, which is a socio-psychological and socio-cultural consequence of globalization. This is manifested through a gradual decrease in the social dependence of a person on a certain socio-occupational environment or a group, and there is an increase in professional mobility of the population. In this regard, a significant aspect of

labor potential is its flexibility, which generates new forms of employment: short-term employment contracts or their absence, employment without social guarantees, etc. Thus, for employment, there is an increase in the level of uncertainty, which, in turn, affects the human potential of a person and the social potential of society.

*Globalization of social and labor relations*, as another trend in contemporary social transformations, is accompanied by the expansion of the worker's social and labor space. First of all, this is manifested through the formation of a new character of social and labor relations, in which the need for strict regulation of labor activity disappears. Under such conditions, a *degree of rivalry between employees decreases*, as new activities related to management, processing of information, require continuous interaction between people, a certain team of like-minded people. In addition, relationship between human and society, employer and employee, business environment and civil society are transformed. Individualization determines dependence of the social status of a person on his/her labor potential, health, and education level. *The process of continuous education becomes a condition for the employee to maintain or increase social status*.

Social potential through the prism of employment is the aggregate possibilities of current and intermediate dynamics of social parameters of employment and its social protection in ensuring sustainable development, which are opened up by progressive transformations of employment adequately with current and perspective challenges. The examples of positive changes in social potential include: increasing labor and social mobility of the population, its competitiveness in the labor market; the opportunity to combine work with education and other useful activities (volunteer work, child care, etc.) due to flexible forms of employment; synchronized growth of labor productivity and wages; improvement of conditions and safety of work, including through *greening* of workplaces; expansion of professional development opportunities; strengthening social security, reducing the inequality of social conditions of employment.

*Innovative employment practices* that have reached the stage of technology (that is, a high standard of standardization and universalization) have the most powerful impact on social potential. They are considered as a deliberately organized way of interaction of individuals, their groups and organizations, which provides a quantitatively and qualitatively stable result in solving a certain task in the field of employment on the basis of conscious use of social transformations, while satisfying the criteria of universality, regularity, economic efficiency and social justice. Their important feature is the ability to deliberately change the social interaction of people, transform consciousness, public opinion, change social relations and structures. Accordingly, social technol-

ogies are an effective tool for transforming the social potential of employment into sustainable development. It is necessary to speak about a managed process of strengthening social and labor potential at different levels, and hence the need for adequate mechanisms of influence.

### The mechanism of strengthening social and labor potential of sustainable development

The development of a *network society* and other recent social transformations make uncertainty a characteristic of modern management technologies, particularly in the workplace, which undermines solidarity and existing social structures and practices. The principal scheme of the mechanism of strengthening social and labor potential of sustainable development on the basis of social dialogue through the transformation of employment is presented in Fig. 1. That said, the tools of the mechanism should not be limited to changes in legislation, but should cover the whole range of adequate levers of influence, based on the assessment of opportunities and risks of social potential.

The content of the main ideas of sustainable development, understanding the role of social potential in its provision and possible mechanisms for building and implementing social potential in the social and labor sphere provide the necessary grounds to determine the conceptual framework for the establishment of the policy of employment transformation. The main complementary conceptual directions of strengthening social and labor potential of sustainable development through the transformation of employment include:

- developing social dialogue on the new institutional basis with the widest possible inclusion of various social actors in the process of achieving agreed goals in the field of social and labor relations, harmonized with the national system of goals of sustainable development;
- transforming the skills of the population both in terms of professional activity and in organizing social interactions while realizing their labor potential;
- ensuring the domination of human-preserving, ecologically acceptable, socially and economically productive forms of occupation of settlement. Socially productive employment ensures observance of social criteria of dignity and justice in relation to physical conditions and human relations in the workplace; creates socially acceptable conditions for reproduction of high-quality working capacity and motivation of the population; leaves time and effort for human self-development;
- raising the level of employment of the population. Reserve of employment forms not only unemployment, but also a significant stratum of economically inactive population of working

age. The introduction of innovative approaches and incentives to exit the state of economic inactivity lays the foundation for economic growth, lack of funds for social funds, and mitigation of social inequality;

- stimulating employment in ecologically safe economic activities, as well as in those demonstrating the tendencies of environmental protection and preservation reorientation, *greening* of employment;
- principal state support for the innovative search for forms of employment and social institutions for the implementation of economic activity of the population and patterns of employment organization. Within this direction, mechanisms should be created to preserve the conservation of any employment model, since the level of social productivity of its various forms and the degree of dominance of progressive ones among employment in general cannot be a constant. Such mechanisms should form a reliable channel for innovations, validation and legitimation of new forms of employment as socially acceptable and socially relevant, as well as their introduction into the full institutional space of social protection;
- modernization of mechanisms of social protection of the population in the area of social and labor relations. The impact of employment innovations can be multi-directional (both positive and negative). The volatility risks associated with objective processes of increasing the flexibility and differentiation of the labor market cannot be offset by traditional social technologies and institutions such as class labor legislation or state social insurance. There is a need for a new approach that can combine flexibility with adequate protection – the so-called flexicurity.
- Society needs to accumulate the possibilities of social potential to create conditions for addressing its achievements to ensure sustainable development. This leads to the involvement of regulators in these processes, which formulate certain guidelines and ideas about the importance of the concept of sustainable development, and mechanisms for its achievement in the authorities, population, business, and public associations.

### Conclusions

Based on the study, the following conclusions and recommendations have been made:

1. It has been established that in the next decades influential factors of social transformations will be globalization, digitalization and ecologization of the economy and society as a whole, which, among other things, will result in changes in the division of demand for labor by the sectors of the economy, quantitative and

**The mechanism of strengthening social and labor potential through the transformation of employment in the context of the sustainable development paradigm**

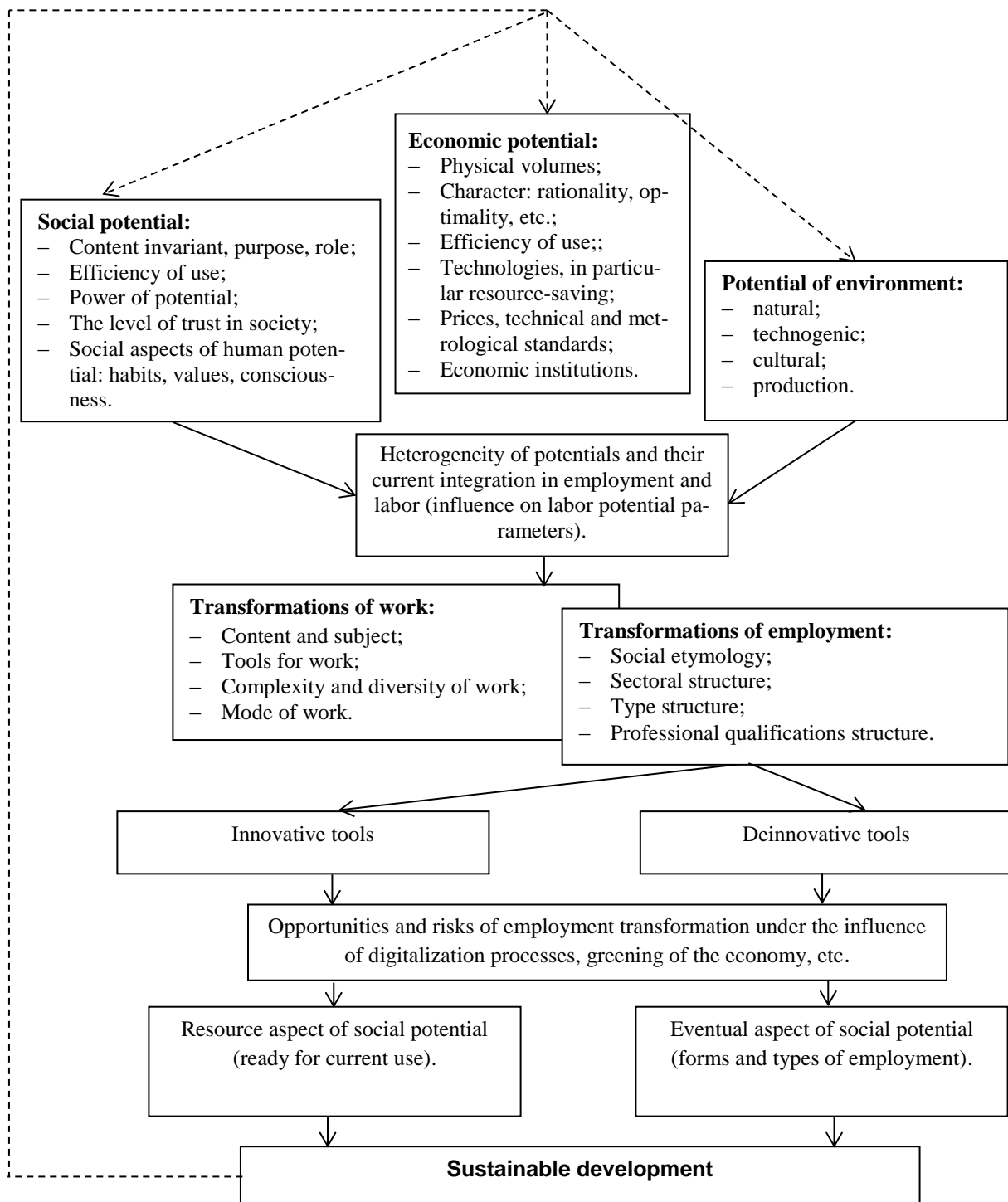


Figure 1. General scheme of the mechanism of strengthening social and labor potential through the transformation of employment, Developed by the authors on the basis of (Amosha O.I., Novikova O.F., Antoniuk V.P., Zaloznova Yu.S., 2014; *Sotsialnyi potentsial innovatsiinykh transformatsii zaniatosti: zvit pro NDR*, 2015; *Sotsialno-ekonomichniy potentsial staloho rozvytku Ukrainy ta y ii rehioniv: natsionalna dopovid*, 2014)

qualitative characteristics of jobs. These trends, along with new opportunities, will create new challenges and risks, making changes in the nature of human life less predictable.

2. It has been determined that in the context of the research objective, social potential should be considered as a property of current forms of joint action and interaction to increase human



potential, ensuring its realization into actual results (resources), or to reduce human potential, inhibiting its transformation into resources and creating risks of social exclusion and social tension. The social tension of a certain degree and character intensifies the search for new forms of joining social potential, but at some point its disorientating nature leads to the fact that the constructive social potential falls sharply and the destructive one increases, which needs to be taken into account when developing and implementing state policy (social, regional, economic, etc.).

3. *The social potential of sustainable development is seen as a combination of opportunities, abilities, society's readiness for transformation to meet the needs of human preservation and development, resources for the dignified life of present and future generations, the balance and security of the economic, social and environmental areas.* Concerning sustainable development processes, employment is a determining socially acceptable form of inclusion of the population in the economic process, a socially productive form of creative activity, a marker of social position within the socio-status hierarchy. The problem of strengthening social potential is suggested to be considered through the prism of interconnections *labor – employment – labor potential – social potential – human development – sustainable development*.
4. It has been established that social and labor potential should be considered in terms of criteria of economic efficiency and social justice. In the first case, one should keep in mind the relation of the additional economic results obtained as a result of the progressive transformations of employment (expressed in terms of the value of the additional gross product and saving of budget funds on social unemployment programs), to the costs of their implementation (including expenditures on the change of legislation, the implementation of relevant state programs or events, informing the public, etc.). Socially unfair changes are ones that lead to a disbalance in constructive and destructive social activity, including those that do not meet the criteria for decent work.
5. It has been grounded that the conceptual vision of the policy of strengthening the social and labor potential of sustainable development should be based on the principles of differentiating public administration, institutional influence and self-governing social and labor activity. This model should include not only hierarchical vertical and horizontal channels of interaction that determine the effectiveness (economic and social) of labor market, but also allow one to capture and control channels of reverse effect, which will make the system self-reproducing.

This approach allowed us to formulate a scheme of the mechanism of strengthening the potential, to offer the main conceptual directions of action.

6. An important task for European countries is to create *green jobs*, because they essentially cover all three aspects of sustainable development and best suit the main challenges of the 21st century: decent work for all, social inclusion, poverty eradication, reducing inequality, environmental sustainability.

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