

## Problems of Sustainable Development of Maritime Transport Industry

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### Abstract

*The article describes the features and trends of development of the marine transportation industry, that predetermine issues of sustainable positioning of system as a whole and its individual subsystems. Total dependence of the stability of the global economy on the level and parameters of the marine transport industry determines the appropriateness of the use of innovative strategies. At the same time there is a need for regulatory administration. It is worth noting permanent of changes of role and nature of the availability of certain types of resources in the system of sustainable development of subsystems. Innovative technologies for building potential of merchant fleet freight capacity and adequate competence of officers remain priorities. This condition determines the normal relations between ship owners and seafarers. The global importance of the marine transportation industry for efficient international labor division implies the principle of the symmetry of the system. Therefore, it is necessary to monitor the environmental impacts, the overall safety and normalized working and living conditions of crews on board. However, the totality of conditions for sustainable functioning of marine transport industry does not reduce the amount of system and non-system risks of owning and operating activity in commercial shipping. Control of balance between the potential of freight capacity and dynamic freight traffic is important.*

**Keywords:** marine transport industry, sustainability of development, positioning efficiency, value of solutions.

### Introduction

Sustainability of economic development of all components of the global socio-economic system, despite the availability of principal features of the formation of the industry potential, is predetermined by the general regularities and systemic goals [1]. The special regularity of the present stage of economic development is the strengthening of the role of factors acting in the role of criteria limits and problems of stability of attitude to environment and rational use of natural resources.

When aligning the degree of satisfaction of the growing needs in conditions of total natural resource scarcity the main becomes rationality of their use with a view to future social and economic problems. Maritime transport industry in this respect creates the necessary balance between economic relations of individual economic subsystems. As both a sustainable fuel consumer for effective functional activity, the metal consumer to maintain the adequacy of production capacity and highly competent professionals for safe navigation marine transport industry is becoming one of the principal conditions for the stability of the world economy and its efficient growth.

The implementation of the principle of social and economic justice in the development of national production subsystems, and global relations creates a number of problems due to the asymmetry of access to resources and technology [2]. Particular importance in this process belongs to the nature of the selection of priorities, especially in the aspects of political or economic solutions to complex immediate tasks. That is why, taking into account historical factors the differentiation of economic growth and living standards across countries, regions and industries actually amplifies.

### *Peculiarities of change of the trend of economic growth*

Formation of the principles of sustainable development and the gradual implementation of them in the factors of economic growth determines the features of modern economic processes. At the beginning of XXI century for a brief period in the historical aspect the role of the individual national economies, realizing the original investment and innovative solutions, has significantly changed. It should be noted as a sharp change in the dynamic development of the global economy as well as the nature of the reaction of the individual economies in the transformation processes [3].

The degree of perception of the global organization by individual states reflects the nature to ensure natural resources, independence of economic approach to solving the urgent problems and the need to respect the balance of national and global interests. Two basic trends of economic development are formed in the present conditions. The first is to strengthen the impact of the processes of the major global institutions such as the IMF, the WTO, etc., conducting its own policy of control of the situation. On the other hand, attention is focused on the development and implementation of the national priorities by the countries, having their own vision of effective positioning in the global division of labor. The third groups of countries, which fully trust ones, which hold positions in the global economy, completely try to implement the fundamental requirements in specific conditions, sometimes not corresponding to the opportunities and challenges of local economic growth.

Thus, in spite of the traditional division of countries into three groups depending on the level of development of the national economy and implemented in accordance with this strategy such as developed, developing and transition economies [4], attention is drawn to the essential difference of character and direction of economic growth in these associations. Apparent solidarity of states forming the Big Seven does not hide difference in their approach to the solution of national problems. It's sufficient to note a feature of upholding of own interests by the UK in the system of the social and economic policy of the EU, as has led to its exit from the association. The special position actually takes Japan's economy, which has appeared in the most difficult conditions due to the exhaustion of the innovative development. Resolution of some contradictions does not mean that there will not be any new ones. The difficulty lies in their clear identification.

Therefore, it is important in terms of standardization of decisions on the global characteristics to implement unique national strategies for the optimization of socio-economic status [1]. In this respect, it is sufficient to lead, and to compare the results of development of countries, certainly implementing external control requirements, to which Ukraine currently belongs. The other group consists of countries that implement national priorities. Among them are Russia, China, Cuba and Venezuela. There are examples of output from global recommendations and achieving on this basis of the independence of the commodity priorities, which at the time was showed by Malawi [1]. Formation of the trend of economic processes is predetermined by the asymmetry of the distribution of natural resources and the differentiation of rates of economic growth in national economies. It is necessary to distinguish the social and economic factors of development trends and attempts of political pressure on the natural processes. The first component predetermines the stability and variability of the trends of economic growth due to the manifestation of the general economic laws. Non-economic efforts to stabilize only temporarily distort the nature of the development of individual local subsystems. Eventually, these strategies cease to operate, and the initiators actually have to recognize the futility of their actions, as it was with the United States regarding Vietnam and Cuba and with the European Union towards Belarus.

### ***The accumulation of problems of sustainable development of the marine transportation industry***

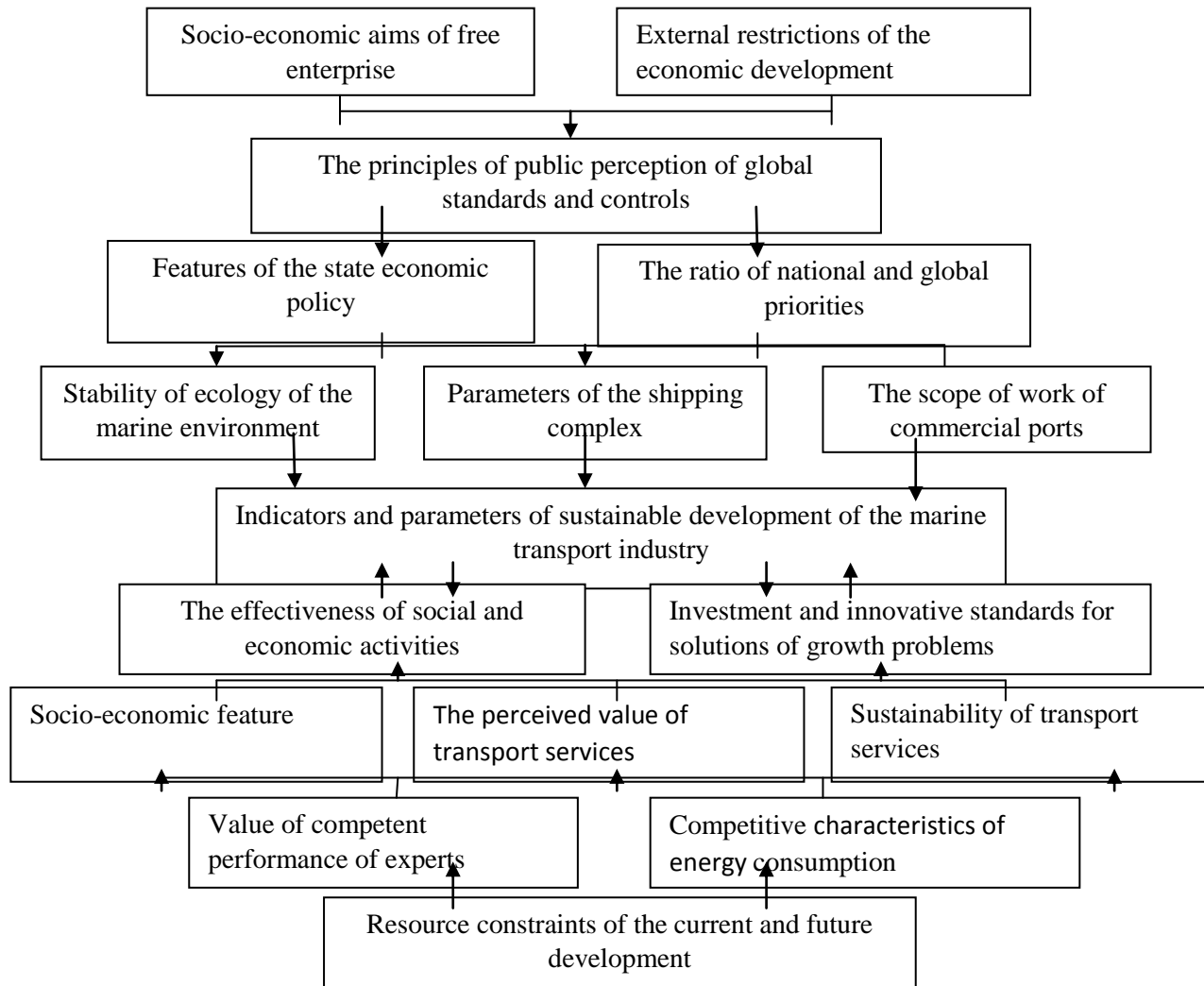
In spite of the globalization of economic relations and the interest of each country in the effective growth of the national economy, the problems of sustainability within the project life cycle or the individual subsystems are formed and expanded. It is noted the asymmetry of access and timely implementation of innovative ideas. Untypical volatility is formed because of attempts of priority of political methods of resolving of traditional or emerging issues. Even the presence of international institutions, regulations, standards and rules does not hold back national governments from inadequate approach to resolving common tasks. The variety of economic theories [1] explaining the modern nature of economic development and contradicting each other, containing criticism of traditional economic ideas, is based on the analysis of the current trend. It does not take into account system changes in the development of the community, which significantly limit the manifestation of historical standards. Therefore no theory in fact contains predictions of subsequent progressive development. In these circumstances, two principals of selection strategies regarding management of national economy's development are formed. First is the resignation of the external recommendations perception by the global institutions and by the so-called economic leaders. The bright representative of this approach is the Ukraine. Second, it is rigid self-appraisal of features of economic growth as a whole and the formation of self-sufficient original position in the choice of development strategy. In this group of countries China, India, Iran, Belarus and Vietnam stand out. These states, in spite of the non-standard approach to system-wide principles hold adopted trend of development. Factors of innovative directions of development reinforce the significance of investment support and problem of access to investment resources.

Maritime transport industry due to its importance for the stability of world production and trade is characterized by a relative activity of investment processes. Furthermore, asymmetry of distribution tonnage to the real owners regarding the role of individual countries in the international labor division keeps its special influence on the parameters of the investment process. In the same process attention should be drawn to the internationalization of the process of corporatization and the formation of international port management structures and their cash flows, specially created by holding companies. Often, regardless of the nature of political relations possessory alternative technologies are formed on the concession.

**The stability parameters formation of separate segments of the maritime transport industry.** Among the most important conditions for sustainable socio-economic development there are national strategies for participation in the international labor division, the normalization of economic policy in the system of protection of national interests without prejudice to the other participants in the global economy and the achievement of freedom of development and positioning of marine transport sub-systems, irrespective of the form of ownership and flag registration of ships.

There are two trends in the complex set of contradictions of sustainable and efficient positioning of national economies. One is related to the careful study of the current state of the market and the choice of integration technologies. Another is to find the culprits in the external borders, negatively affecting the perception of the country's economy. This usually is poured into the form of sanctions and other forms of countering the normal market relations. In fact, it is a form of excessive institutional pressure, which is contrary to the modern theory of sustainable economic development. That is why the problems of economic development of Ukraine is not implemented, and sanctions against Russia were virtually ineffective on global goals.

**Fig. 1. Conditions for the formation of sustainable development of the marine transport industry**



As you can see from Figure 1 the indicators and parameters of sustainable development of the marine transport industry are influenced by a complex set of factors, conditions and patterns [1]. It is necessary to highlight the tendency of strengthening of the gap in the economic level of development of individual subsystems of global economic relations. Despite the interdependence of the individual subsystems of the national production, in fact there is a growing polarization of living standards for adopted group of countries [4]. At the same time, problems of economic growth are differentiated. For developed economies, it is the retention of rates based on innovative technologies, which provide excellence in quality and level of performance. For developing countries, the main is the selection of independent economic policy focused on the strategy of advancing, despite the globalization processes. The main becomes an extension in the national economy with high value-added segments, which, unfortunately, is limited by the lack of necessary investments. Without an active investment activity, no economic aid, as is shown by recent history, does not provide any economic growth or achieving level of normalized consumption [3].

A number of so-called transition countries such as the former republics of the Soviet Union, did not form a single political or socio-economic strategies. Despite the unity of the basic conditions, there is a significant difference in the implementation of standard goals and tasks of sustainable economic development. Only with the formation of the Common Economic Space the standardization process of approaches of these states is forming. Therefore, the union of these countries in the group of transition economies is rather arbitrary.

The systemic impact of maritime transport complex on the stability of the world economy and the security of the system determines the shape and parameters of regulatory action by the International Maritime Organization [1]. This strategy has become the main condition for the formation and distribution of the main parameters of the marine transport industry of the countries. In fact, maritime transport becomes the industry in which the principle of global standardization is implemented most fully. A certain guarantee to enhance the safety of the marine transportation industry of subsystems is formed and restricting access of individual countries due to increased capital intensity of the unit to the balanced development of the fleet and ports is manifested.

### **Conclusion**

Problematical character to achieve a balanced development of the world economy and especially the external commercial relations is aggravated by the attempt to adjust economic processes from the standpoint of political expediency by individual states and their associations. At the same time, the fundamental problem is the increase in the asymmetry of participation in the maritime trade market of all the subsystems forming the international labor division. The production potential of the global maritime transport is concentrated in the possession and usage of basic operators of maritime trade market. At the same time, a large proportion of external commercial relations falls on the economy of the countries that to a certain extent dependent on the state of a shipping market [1].

Most participants in international economic relations for the stability of the positioning in the international division of labor should have the necessary monetary funds. Their absence exacerbates further financial condition of the country. After all, the cost of transport services is formed not only under the influence of the standard balance of market conditions, but also due to the activities of ship-owners associations. That is why alternative principles of reducing the costs of maintaining the fleet are formed and efforts to build their own maritime transport capacity by countries pursuing a policy of priority of national interests are concentrated.

The problem of achieving Pareto efficiency is the need for interaction of economic subsystems in a balanced system of prices for products with high benefit and on natural resources. Otherwise, it is noted the flow of economic results and the formation of the asymmetry of the production outside the law of absolute and comparative advantage. Therefore, it is important to compliance with system-wide economic interests and to minimize the political component in the relations between countries.

Ultimately, the sustainability of the maritime transport industry, on the one hand, is due to the dynamism of the international division of labor, and, on the other, the ability of the state and business structures of the country to implement a strategy of balanced socio-economic growth. The latter determines the current unequal distribution of productive capacities of marine transport industry across countries. Therefore, there are contradictions and factors diversification of maritime trade market.

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