

THE IMPORTANCE OF SOCIAL JUSTICE IN THE DEVELOPMENT OF MARKET ECONOMY AT THE PRESENT STAG

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Abstract

This work is devoted to the importance of social justice in the development of entrepreneurship as an integral part of economic policy. Achieving social justice at the present stage is the establishment of generally binding rules of conduct which strengthen market relations being the economic foundation of Russia and providing its economic development. The urgent character of addressing this topic is due to the fact that neither in science, nor in theory, nor in practice, has there been a uniform understanding of the content of the justice concept and the principles of its implementation in the legal regulation of economic relations and application in practical entrepreneurial activities. In the modern economy justice is more and more often said: in the context of bona fides of business entities, without a violation of the balance of interests ("status quo") in conditions of free competition, non-admission of monopolistic activity, provision of tax preferences from the state. The variety of forms of doing business and the absence of clear criteria, including legislative ones, of the principle of social justice of business entities creates the need for a deeper research of this problem. By resorting to logical methods of analyzing and synthesizing information, in this article the author will try to work out common approaches and basic criteria for the bona fides of economic entities, acting as a guarantor of social justice as a necessary attribute of the development of a modern market economy.

Key words: justice, bona fides, market economy, competition, entrepreneurship.

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Introduction

Under the conditions of the formation of a market economy, one of the priority tasks of the Russian state is to ensure social justice, equality, morality in relations between people. The implementation of these principles is achieved through the expansion of social programs, the

promotion of charitable activities (in particular, by exempting business entities from taxation that carry out charitable activities from taxation), the state impact on the pricing process and the provision of equal opportunities for business units to conduct business. These days achievement of social justice consists of the establishment of universally binding rules of conduct that consolidate relations, which are the economic basement of Russia and ensure its development. The Development Concept of Civil Law states that a number of changes in the Civil Code of the Russian Federation was planned for a "fair economic balance of the interests of the parties of bilateral responsibilities." The above mentioned factors determine the relevance of this scientific and practical research, and set specific goals and objectives for the author. The aim of the work is to determine the essence of social justice and its importance as the fundamental principle of distributive relations. To achieve this goal the author sets the following tasks: the study of scientific and theoretical approaches that determine social justice as a regulator of the equality of subjects of economic relations; the analysis of problems of legal regulation in this area and making recommendations for their solution.

1 Research methodology

A system of methods specific to both economic and legal science was used in this study. Social justice as one of the important principles of the economic policy of the state is presented as a multifacet and complex concept through the methods of analysis and synthesis of information in this study. Because of the eclectic method of cognition the author studied the process of development and formation of the notion of social justice in the economic life of the society from the point of view of various theories and concepts. The legal method of system-structural analysis allowed identifying problems and suggesting possible ways of resolving existing contradictions.

2 Theoretical and practical prerequisites for the formation and implementation of the principle of social justice in economic relations

A socially oriented economy was formed in the countries of North America and Western Europe. The Russian state which for a long time remained in the dominance of the administrative-command economy could provide a minimum normal standard of living, but on the whole it did not allow to realize individual's creative potential and many reasonable needs could not be satisfied because of the constant shortage of consumer goods and services

and funding for the development of the social sphere. At the same time, the indicator of the living standards during the transition period is the level of social justice, which depends on the social and economic policy of the state. The well-being of an individual becomes the main element and the measurement of the quality of living standards in general (Zamfir E., 2017). Supporters of a "clean" economy rarely turn to the problem of social justice. However, pragmatic approaches often lead to simple and inefficient solutions that result in high social and economic expenses, impede the development of complex transformations that can ensure a stable economic development of the country (Vakhtin, 2016). The institutionalization of social and economic relations is aimed to explore this system from an integral point of view, allowing to analyze the quality changes that it produces in economic institutions and structures (Staricco, 2017).

According to N. Ismailov "Market society, market type of economy and other social relations, the main condition of a market society is the possibility of free activity and free disposal of the results of one's labor" (Ismailov, 2016). Plato paid the most serious attention to the idea of a free personality with an active life position, he said: "Worthy of honor is he who does no injustice, and more than twofold honor, if he not only does no injustice himself, but hinders others from doing any» (Plato, 1992).

The concept of justice, which asserts that groups of the rich create the bulk of the society wealth, participating in the production process both by their enterprise and their capital, is ultimately destructive for themselves, because it leads to a social revolution and the physical destruction of a group of rich people. Plato wrote: "In a state where there are very rich and very poor, these are actually two states" (Plato, 1992).

It should be said that the notion of justice is one of the most difficult concepts to define. Underestimation of the problem of social justice from the traditional direction of economic science does not mean that economists have lost interest in this problem. Representatives of the unorthodox direction (especially the "old" institutionalism) paid it a lot of attention (Veblen, Galbraith). The theorists of the "new" institutionalism mainly take into account the cultural and moral factors in their analysis. The founders of Marxism understood the importance of the spiritual side of human existence similarly and characterized bourgeois production as "a system of universal exploitation of natural and human properties, a system of universal utility" (Marx & Engels, 1848).

Getting the greatest possible benefits for the largest number of people is the condition under which social justice will prevail the theory of utilitarianism. However, as rightly been noted in the literature, the benefit principle is profitable, primarily for the theoretical and

mathematical economy (Pirogov & Efimov, 2011). At the same time another outcome is inevitable, in which, as V. Mayakovsky said, "one has a bagel, another has hole from a bagel", because each person reaches a material good based on personal qualities. In this connection, there is an unresolved issue how to form a single concept of social justice for the whole society from the many individual "utilities" and "justice"?

John Rawls, a scientist attempting to create a universal concept of social justice. It is said that political and social interests can not be sacrificed to political one, i.e. to multiply the material benefit due to limiting freedom. The basic freedoms of the individual must be guaranteed in any case, even when this does not bring general material success. Nicholas Lauman, critical of the theory of utilitarianism, defined the moral consequences of the theory of social systems. The scientist distinguished the problems of system-ecological relations in modern society; he perceived moral communication as human-centered and therefore ill-adapted to solve problems.

The complementarity between the two theories of Lauman and Rawls makes it possible to see the instability of system-ecological relations for any type of social system as a moral problem. In this connection, N. Lauman draws a conclusion about the destructive consequences of business for society and nature (Valentinov, 2017).

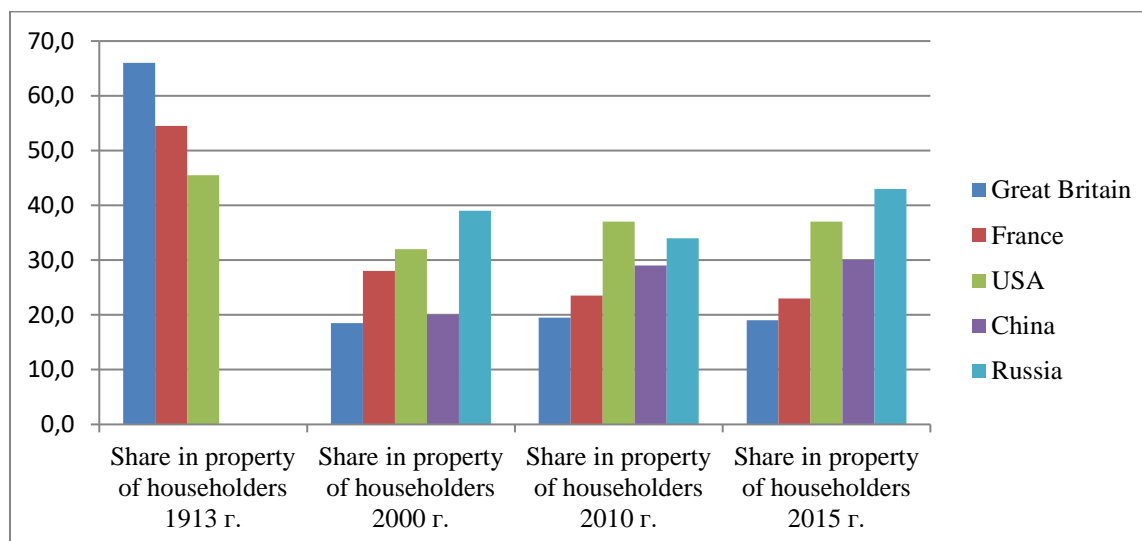
Modern Spanish researchers proposed a theory of the public welfare that, in order to achieve social justice in distributive relations, it is necessary to encourage moral values such as human dignity, solidarity, social justice, democracy and transparency.

This approach is based on the idea that people can conduct a dialogue and build common spaces, creating common interests, rather than being guided by personal needs only. (Gomes & Morales, 2017).

By synthesizing different theories about the essence of social justice through the prism of economic relations, it is possible to define social justice in terms of two criteria: firstly - ensuring equal rights of participation in the market (creating equal economic opportunities); secondly - maintaining the necessary balance in the distribution, excluding excessive inequalities.

The World Inequality Lab showed that 1% of the richest citizens in Russia own 43% of all household property, indicating that there is no second sign of social justice in the Russian economic space. 9 years ago, this figure did not exceed 30%, and in 1995 - it was half as much (Fig. 1).

Fig. 1: The decline and growth of property inequality among households



Source: author's own data

3 Realization of the principle of social justice in the regulation of economic relations these days

In the times of ancient states, the division of land, which laid the foundation for private property, was a natural process in society. A law appeared. It is at this stage of human development the notion of justice is formed. Thus, Aristotle asserted: "... everything that is prescribed by the legislator is legal, and we call every single resolution of it fair" (Nersesyants, 2018).

For the moment, in the era of neo-liberalism, originating from the English classics of A. Smith and D. Riccardo, where the evolution of economic ties occurs on the principle of self-regulation, the question arises: how neo-liberal doctrine is correlated with policies promoting social justice (Olsen, 2017). The Russian Constitution of 1993 consolidated the legal foundation of the economy, namely: the freedom of entrepreneurship, the variety of forms of ownership of the means of production, market pricing, the contractual relations of equal economic entities and limited government intervention in business. However, the consolidation in the legal regulation of the basic elements of the neo-liberal market economy does not mean the realization of the principle of social justice in practice. In fact, the implementation of the principle of social justice in the economic relations faces certain contradictions and problems, the issue of which will be discussed further.

3.1. Realization of the principle of social justice in the sphere of public procurement

Offenses in the field of purchase of goods, works and services for state and municipal needs are quite common today. V. Anosov puts the decline of moral values as the root cause of this phenomenon (Anosov, 2009). A practicing scientist speaks of a conscious violation by customers (members of commissions) of the legislation on placing orders. We believe that this problem has developed historically. The fact is that the system of management and management that developed under the conditions of extensive economic development in the 1980s and early 1990s was not only obsolete, but became the source of a number of contradictions in the sphere of economy and labor. All this led to the fact that departmental, local and personal interests in one or another sphere of the economy to some extent became alienated from the interests of society and the state, which, in turn, adversely affected their social and moral orientation. As a result, today we observe violations in the sphere of distributive relations, distortion of the basic principle of social justice. Many authors agree that one of the problems existing today in the circles of state customers is the low general and legal culture of officials.

Thus, the morality of Soviet society that has dominated the decades of morality is replaced by a new morality: the low prestige of state structures and officials with low authority among the population and fundamentally discrediting power and legality, unfair business and commerce, justification of any, even illegal ways of acquiring monetary and material values. In this regard, the primary task of the state is, first, educational activities at the level of the state's economic policy to raise the level of legal awareness in the sphere of public procurement, focusing on the importance of legislation on the placement of orders, and the inevitability of punishment for its violations. For example, it would be advisable to develop methodological recommendations on reducing corruption risks at the level of the state and individual regions.

3.2. Innovations in Antimonopoly Legislation and the Principle of Social Justice

Most of the innovations of the antimonopoly law contribute to the achievement of socially significant goals and the creation of a favorable competitive environment, which ensures the social justice of the current market relations. The innovations in the antimonopoly legislation, which are reflected in the Federal Law No. 275-FZ of October 5, 2015, "On

Amendments to the Federal Law " On Protection of Competition "and certain legislative acts of the Russian Federation," include a set of measures to liberalize and improve the existing antimonopoly legislation. The new law expanded the list of officials warned against the inadmissibility of violating the antimonopoly legislation. At the same time, the social significance of such a warning consists in the performance of the function of social control.

For a long time, there was a significant lag in the Russian antimonopoly legislation in terms of taking into account the principles of justice. The Paris Convention for the Protection of Industrial Property in 1883 also contained provisions that unfair competition, first, contradicts fair customs in industrial and commercial matters, meaning attempts at discrediting, misleading, etc. i.e. that entered into the Russian legislation only in 2015.

It is curious, but a number of researchers - economists believe that the competitive market relations themselves are not fair by their nature. With this approach it is difficult to agree, since he either denies modern market institutions, "rules of the game", or considers it unfair, unfair, i.e. immoral basic process of market competition. Based on the above theories, as well as practical experience, it can be confidently asserted that in the presence of fair competition, the equality and autonomy of the will of the participants in the property turnover is at the heart of any business relationship.

Unfortunately, a number of negative phenomena hamper the achievement of socially significant goals and the formation of a favorable competitive environment, in conditions of equal opportunities. According to the Federal Antimonopoly Service of Russia, in general, the negative phenomenon that hampered the development of competition in 2016 remained in 2017. Moreover, the danger of threats like cartel collusion, the so-called cartel collusion, in the Russian economy has even increased over this period. "The state-monopoly tendencies in the economy continue to remain a factor of the negative impact on the state of the economy, which lead to an increase in the role of monopolies in the economy, complicate competition policy, and strengthen monopolistic tendencies in the economic space uncontrolled by the state," the draft report says.

The past year has also been characterized by a decrease in the number of legal entities in the economy: according to the registering authorities of 01.01.2018 it fell sharply (Tab. 1).

Tab. 1: The number of commercial organizations, information about which is contained in the register of legal entities as of 1.01.2018.

	Created Legal entities, the record of which is included in the Unified State Register of Legal Entities	Legal entities that have terminated their activities
Commercial organizations - Total	3 348 353	5 168 073
Unlimited partnership	41	2 745
Trust partnership	145	4 109
Limited liability company	3 290 644	4 396 254
Double liability company	3	19
Joint-stock company	41 383	418 231
Producers' cooperative	4 870	144 798
Unitary enterprise	9 558	77 211
other commercial organizations	1 709	124 706

Source: author's own data

In our opinion, the innovations of the antimonopoly legislation correspond to the nature of the market economy and, therefore, are socially justified in terms of their actual content. But it is worth remembering that the main task of the state is to prevent distortion of the norms, which are laid down in them, leading to abuses and as a result to social injustice.

3 Realization of the principle of social justice in the legal regulation of investment activities

The rules of law provide for fair, stable and understandable rules of conduct that protect property rights to objects where investments have been invested, which entails reducing investment risks and activating the investment process (Lisitsa, 2011). At the same time, the current investment legislation largely does not correspond to the current state of the Russian market economy and does not ensure the achievement of its main goal of ensuring the investment attractiveness of our economy. Currently, the legislative framework for investment activity consists of uncoordinated special laws adopted at different periods and often pursuing opposite goals, often not based on market principles.

On the other hand, investment legislation must take into account the risky nature of private investment activity in order to comply with the current market understanding of social justice. Accordingly, in the law, a private investor must have a market color. After all, it functions in a market, competitive environment. Therefore, the legislator should not see in the private investor a subject whose main objective is to ensure the social function of the state.

In order to implementation of social justice in the legal regulation of investment activities, it is possible to recommend the development of an integrated state investment policy based on market principles of the economy and the need for full protection of investors' rights as a necessary measure. This policy could be reflected in the Development Strategy of Investment Activities in the Russian Federation for a long-term period, containing the main goals, objectives, principles and methods of legal regulation of investment activity.

Conclusion

The economic policy of any state is always focused on the realization of socially significant goals, the achievement of which is impossible without preserving the balance of interests of economic entities. For this reason, the importance of social justice is difficult to overestimate in the modern economic space. The question of social justice always arises most sharply at the crucial moments of history when it becomes necessary to compare the facts of real life with public institutions, to determine the degree of their conformity or inconsistency. That, in turn, predetermines the need to develop new moral and ethical principles for the functioning of the social system, including in the economic and legal field.

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