# GEOECONOMIC ASPECT AND PROCESSES BEFORE THE GLOBAL SPATIAL DEVELOPMENT OF THE MODERN WORLD

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**Abstract**. The article examines the main issues related to the development of the geoeconomy in the context of globalization and regional development. The mysteries of geoeconomics from the point of view of spatial development are being clarified. First, the author pointed out certain aspects of spatial development and the definition of the main approaches for clarifying the subject of geoeconomics, clarified the differences in the interpretation of the main problems related to the implementation of regional policy in the nation-state. Second, the author derived the models for determining the spatial development and the nature-man-economy relation from the point of view of the institutional development and the economic activity in the conditions of the dynamics of the world economy and post-Covid-19 world. Finally, the author proposed a methodical approach for the derivation of global processes with a geoeconomic sign.

**Keywords:** globalization, geoeconomics, region, policy, space, region, efficiency, process, evaluation, measurement, localization and development.

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#### INTRODUCTION

At the beginning of the new century on a global scale, the world entered a new era characterized by globalization in the economy, the security system, and the globalization of culture. In these conditions of development, geo-economics knowledge is of key importance in the systematization and analysis of the development of nationstates. They can bring out and respectively illustrate the processes of opening the national geographical space in social, economic, infrastructural and cultural aspects and its functional, on the other hand, in particular for Bulgaria, our connection with the European structures. The geoeconomic experience for analysis requires the appropriate approach "from outside to inside" or from the pan-European regional and transnational scales of spatial development to the national and, respectively basic analysis of the vitality of regional systems. The concept - in logic - an idea that reflects a generalized form of objects and phenomena of reality and a significant relationship between them geoeconomics plan must be derived by general defining and specific characteristics (Csurgai, 2018).

As a source of knowledge about geoeconomics concepts is the derivation of the state of the territory in the appropriate order. Complementary concepts are water area - a limited part of the Earth's water surface and aerotorium - a part of the Earth's air envelope, correlated with a certain territory or water area. The heterogeneity of our territory creates different grounds and institutional approaches for the analysis of its vitality and opportunities for development. Constraints on the relations of the territory can be defined mainly in its scope and approach for analysis. Thus, the territory in geoeconomic terms can be considered in global, supranational, national and local aspects. The main goal of geoeconomic analysis, regardless of scope, is to resolve the contradictions between the need for

means of reproduction and the possibility of satisfying them in spatial terms, which characterizes the level of production, on the one hand, and the maturity of market relations on the other. At first glance, the relationship between supply and demand preconditions for developing relations between individual players, but in reality these relations are influenced by the large proportions for integrated economic development and adequate geodemographic mechanisms (Dokova. 2015). These processes in the changing environment and new conditions of human development can guarantee a certain standard of living or at least create the conditions for resolving the contradictions between market relations and social interests. Thus, in the territorial aspect from global to national and local level, the leading is economic interdependence because it must generate sustainability in development macroeconomic and processes in the developed market in different regions, otherwise the individual territorial unit faces demographic collapse and decline. In the new conditions an important task of geoeconomics is to show the importance of the spatial development of mankind as a counterbalance to the excessive urbanization of some territories at the expense of others, as a result of which conditions are created for new social conflicts and instability of national economies. In fact, in the new conditions. the region's economy is of key importance from the point of view of the process of reproduction as a whole. Therefore, in crises, policy decisions must have a common sound but effective applicability in the smallest territorial unit to ensure cost-effective treatment and prevention of migrant processes from one territory to another (Gaiduchok, 2019).

The study of the region's economy is impossible without knowledge of the patterns of the reproduction process on a national scale and its inherent contradictions. Thus, the economy of the region is related to the management

decisions in the center. The contradiction - the contradiction between the needs of society and prerequisites for their implementation is often a contrast between the center and the periphery. The essence of this contradiction and the other regional essence of conflicts reproduced today - in the conditions of market relations, which are transferred from the periphery to the center. Thus, in macroeconomic terms, geo-economics has a new task to show the economic, political instruments through which, in a territorial aspect, to show the pillars of social development and the possible principles of human behavior towards nature. The concept of geo-economics development is often linked to the legal and institutional frameworks for validating principles economy and the requirements carried out along the lines of European integration and the formation of national development (Jean K. 1997).

#### RESULTS

## Geo-economics development and sustainability of our environment

In geo-economics terms, it is necessary to introduce a principle for the sustainable development of nature and the designation of living space for people. This is necessitated by the possibility for the state to develop cyclically. Like in the wild, it is an organism that goes through the cycle of birth, flowering and aging. Simultaneously with the formation of the economic potential of the territory, the configuration of the demographic situation is built, and this is a qualitative sign for economic and vital assimilation of the territory. Such a statement can be accepted and developed when it applies for economic and vital development of new territories, which is less common occurs in reality at the present stage. Geo-economics development includes three main groups of activities and activities: economic, administrative and legislative. Leading so-called economic activities have a place. They are connected mainly through the regional investment mechanism, modelling the regulatory role and setting sustainability plans and programs. It is necessary to develop and implement a geo-economic policy that considers the conditions and specifics of the specifics territorial communities and the interests of the population living in them. This is important because, during a boom and a favourable heart, the state absorbs more space and usually leads to demographic development (Dokova, 2015).

On the other hand, strong economic states in the process of territorial development will inevitably limit the growth of their neighbours (more consequential countries will inevitably absorb the weak ones). This is due to the constant increase in the resources of one economy at the expense of others or the formation of regional leaders peripheral economies. In these conditions. in the pursuit of pulling development, the economy must weaker take appropriate geoeconomic decisions that priorities determine its and the corresponding changes in the economy's structure and the quality of human resources. This, in turn, can lead to structural changes in the practice of the regional economy, as well as inter-regional production and economic relations. At the same time, with a different structure of the national economy of the individual country, individual territories in it can act as a pulling factor. the unbalanced In development of the country, such a regional economy must have increased requirements for the quality of human resources and strive to export outside the territory within other areas of the national economy (Kochetov, 2006). This leads to the creation of production and capital to mega-urbanization and prevent accumulation of excessive humans in one territory at the expense of other regions. The regional economy must respect the concept of sustainable development while respecting the triple interdependence (regional connectivity) between people the environment - the economy. The

regional economy includes five main components: the economy of a region, the economic relations between the regions, the regional system (including the national economy as a system of interaction between regions), the deployment of productive forces (in the process of physical or deliberate expansion of sites and phenomena) and regional aspects of economic life (production, employment, quality of life and finance Of interest in this direction are the views of some leading geoeconomists, who consider the potential of the world's leading powers since 1990. They see the potential of the nation-state and the difficulties of transformation and the factors that are essential to achieving these goals. Conditions are being created for new dynamism and regionalism on the one hand and globalism and the need for new spatial development (Kochetov, 1997).

## Geo-economics as a focus and scope of spatial development

An important part of the conceptual apparatus of geo-economics in a local context are the characteristics and form of the structuring of economic space, which is treated as an area containing many objects and connections between them. Each region has its own internal space and communications with the external space. The most important characteristics of the space are: density (population, gross regional product, natural resources, fixed assets, etc. per unit area), accommodation (percentages of uniformity, differentiation, concentration, distribution of population economic activities), connectivity (intensity of economic). In the analysis, it is essential to distinguish the relations between the parts and the space, in the conditions of the mobility of goods, services, capital and people, driven by the development of communication networks (Luttwak, 1987). The place of geoeconomics in modern science considered in two dimensions.

On the one hand, the regional economy is part of the science of the regions. On the

other hand, geoeconomics is a system of macroeconomics. mesoand conceptual system in the regional area is formed by three key terms: territory, region (region) and space and their respective adjectives - territorial, regional and spatial. In most cases, they are used as a synonym with the same content. For example, the term regional is accepted as an introduced foreign term, corresponding to the Bulgarian term "region". In fact, there is an evolution from territorial to regional, and more recently to spatial development (Kochetov. 2006). auestion the exact place geoeconomics in economics is complicated by the fact that in addition to the subject and its own object of study expands its scope by illustrating the individual regional dimensions economic of "geoeconomics has an interdisciplinary nature and its scope penetrates the soil of other areas of economics. In fact, in the 21st century, geoeconomics is changing its internal content, beginning to manifest itself not only as a means of managing economic activity, but also as a dominant system of public governance - ie. as a policy and even as an ideology of the coming new era (Lorot, 2009), a direct consequence of which is the gradual replacement of the existing geopolitical imperatives with new ones - geoeconomic ones.

World hegemony is no associated with the conquest of new territories. or even with the direct subordination of the economic space of the enemy. Today it is more concerned with imposing one's own political will and vision for the future, with establishing and maintaining the desired typology of world economic relations, with reaching the determined strategic limits geoeconomic competition and, finally, with the possibility of strengthening or erosion of one or another system of socio-economic orientations in building a democratic and effectively functioning state (Kochetov, 1997). In geoeconomic terms, the state must have ample opportunities to

manage the process of integration into the global economy, strengthen social and economic potential and ensure protection of the population. Within the new global (but not universal) economy, the contours of its "specialized segments" are becoming clearer - the so-called "large economic spaces", united by their common cultural and historical traditions, common type of economic practice, common socialeconomic interests and strategic goals. These spaces often go beyond geographical boundaries, as a result of which the world is in a period of restructuring of until recently "bipolar world", emerging a world with more than two geoeconomic poles of a "new regionalism", which is likely to form the geoeconomic skeleton of the world in the Third Millennium. At the heart of the "large economic spaces" will be the organic interaction between the new regional power centers and the nation-states entering the respective "large space". The big question on a global scale is which of these centers will fill with content "the achievement of sustainable development" (Leyshon, 2003).

# Spatial development through the prism of the region, regions and range

The drive to make globalization fair must be based on interdependent and mutually supportive pillars of economic and social development and environmental protection at local, national, regional and global levels. In fact, this center, which is the first to reach equilibrium, will be dominant over the other economic In this superpowers. direction, geoeconomics and regional development a methodological question arises related to using the term region. Relatively new to our practice as a whole, in addition to "region", are the concepts of "regional development". Considering the different approaches around its definition, it can be assumed that it is not a modification of territory and territory, as it seems at first glance. Its origin is from the Latin regionregionalis. According to a significant part of the literature, it is identified with area, region, locality, sphere, layer, layer, zone, etc. hence "regional" means regional, local, district, or in other words a hierarchical system of separate parts of the territory (Simmons, 2005). Therefore, opinion, the term territorial development should be understood primarily as local development, local policy or planning related to the territory itself. On the other hand, the concept of region is multifaceted and in defining it, it is possible to emphasize some of its characteristics -(administrative). territorial political, etc. The diversity in the use of the term region is determined not only by its complex nature but also in the sense of its use in terms of the meaning of the term.

The difficulty of defining the term region is also due to its relativity and comparing the bridge, for example, with the term "region", "area", "territorial", etc. According to the individual concepts, the concept of "region" can be considered in dimensions three main spatially. economically and politically. In this regard, it is necessary to outline the spatial level of the concept of "region" by emphasizing the limitations of a territory compared to other territories (Pernishka, 2000). The spatial dimensions of the term region are extremely wide. ranging municipalities (even smaller territories) to entire continents. In the economic and political dimension of the concept of "region" three levels can be distinguished, one is purely functional, the second is institutional and the third is a synthesis between the first two. The functional level can be defined as the lower level of segregation of the region, if we assume that it is reduced only to economic and social interactions in a given territory. The institutional level of the term "region" includes the previous two levels, but complements them by focusing on the institutional structure that has taken shape in the respective territory. In fact, at the institutional level, the region can be seen as an object of economic policy, and at the

core of government or decentralization of power as a subject of economic policy. The third level embodies the spatial level of the region as a territorial system under the influence of managerial (political) decisions and their impact on the economic development of the territorial unit.

In this direction, regional development will not directly affect the territory as an object but generalized parts of it as target functional spaces (systems, regions) or communities (integrated territorial territorial units) at the regional level either on a supranational, national or local scale, in some private case and cross-border and transnational areas. In fact, regional development is expressed in the overall effect or results of the interaction between the various objects of human activity and relations arising from territorial location (Stankov, 2003).

In this regard, regional development differs from sectoral development because it is assessed and analyzed in relation to the impact on the use of space by private and specialized structures that form regional systems. In this sense, regional development deals with private, special (sectoral) and general (integral) problems. Thus, we can summarize that regional development is a continuous process through which we highlight the vitality, functioning, anticipation, and optimization of regional systems and proportions (Zarate, 2012). In general economic order in the spatial development of the territory, there are major regional inconsistencies and inequalities in which the regional conducted. must be inequalities are an important problem for regional development and, in the scope of regional systems, outline the leading structural processes that can determine the behaviour of regional development. They untie the knot of private and special problems in the relations that dictate the general problem state of the territorial units.

Regional studies aim to discover the patterns of formation and functioning

(including governance), the socio-economic system of the region, taking into account historical. demographic, religious, environmental, political, legal, natural resource characteristics, place and role of the national and international labour. division of The origin regionalism can also be traced to the history of humankind. It can be associated with the emergence and development of physical and geographical conditions, as well as ethnic groups, state, an association of ethnic groups, the emergence and formation of religious denominations, war. economic expansion, and many other reasons (Zhan, 1997).

As a result of its long history, the finds itself population in different conditions of existence. In fact, the world civilization in different parts of the world has a different intensity and level of human Giving the development. concept regionalism and character to the economic development of individual nations further sets its relevance in the modern world. Because in the process of globalization in most countries we have a mixture of cultures and peoples as fewer and fewer countries in the world. They include only nation. one ethnic group. Most countries are multinational and even multireligious. Such countries are Russia, Ukraine, the USA, Germany, China, France and others. Within the framework of geoeconomic theory, the union or the state is considered a subject of regional policy. regardless of the regional differences. In view of this, the substituted regional units (e.g. districts, municipalities) remain in the background when determining the regional economic structure. The realization of regional development depends on the legislative ones decisions regarding the territorial organization, stimulation economic development by region, the administrative division of the country, local government. National laws regulate the main regulatory mechanisms used implement regional policy.

## Geoeconomics in the spatial landmarks of territorial processes

The policy of the European Union is related to transnational and cross-border cooperation, which is officially accepted as spatial. Objects of the regional economy considered by the regional policy of the EU are economic entities that are aggregated on a certain territory, part of the union. These regional aggregates differ from each other in the level of their economic and social development. The distribution of powers over regional policy instruments and investments corresponds to regional hierarchy of the union (union, country, region): the territories are not just objects (as considered by the theory of regional policy) on which the goals and instruments of a regional policy are directed. There are also entities that, in turn, agitate to be able to attract the maximum amount of funds to themselves in the face of high competition to be able to invest them according to their preferences. In this regard, with membership in the EU, the regional policy of Bulgaria becomes one of the most important policies for the spatial development of the country. In fact, regional policy is becoming an important element of the state's foreign, defence, and other policies, which are increasingly becoming geo-economic solutions for the development of nation-states in the XXI century. With its sharpness and focus, regional development in the 21st century is becoming essential for policy-making. In this regard, it is important to derive the definition of politics in the dictionary of foreign words in the Bulgarian language, which states the following "the art of governing the state" (Kochetov, 2006). In the time of globalization, the government is recruiting an elite that can rationally use geo-economic factors that are essential for implementing management decisions and are key to the sustainable functioning of the nation-state and the relevant political model. Again. from the general interpretation, we must pay attention to the two main aspects of the policy,

regardless of which area it relates to: 1) it is a set of actions for management and leadership, 2) guiding principles on which the activity or actions are based. Thus, returning to the making of regional policy has both state and public character. policies for Through the regional development, one can find a balance in the development of the national territory and thus in practice to protect the national interests taking into account the interests of the territorial communities on different levels. In the transnational aspect, regional policy predetermines its supranational importance in the context of the interests of border areas or related to specific interests for a common spatial policy between neighbouring countries. On a pan-European scale, it means building a of contacts. common network infrastructure, rational use of natural resources and cultural heritage between countries as a result of layered historical events.

This type of regional policy is the search for connection and interaction between individual communities to meet their needs for sustainable development, self-development integrity. and existence of specific social values and norms that shape their behaviour. Often regional issues focus on a certain aspect of its implementation instead of looking for its purposeful aspect, at least, because the problems of regional development in the territorial systems and communities have integral and functional-structural Assuming that the integral section. problems determine the nature of the processor behavior of the territorial systems, this means that the first starting point is to determine the signs of the problems of the respective territorial levels - regional, subregional and local. Based on the typological classification covering all territorial systems at the same time, types of systems are outlined by similar characteristics and qualities. By outlining the predominant type of processes, the characteristic common problems can also

be identified. The functional-structural section can decompose the integrally defined problems. For us Europeans, it will be exciting how after the Covid crisis, the world will enter construction a "supercycle". It will impose a new model of business construction, and hence new in the global economy. trends production of construction materials will be a new challenge for the global economy. At the same time, the new period with relief encourage financial will stimulate the start of new construction. Thus, the world will move to 2030 in a new spatial model that will maintain the high pace of construction globally for the next ten years. This will give us a condition to look for opportunities for methodological classification of the world geoeconomic system. Classification is an important condition for introducing benchmarks on infrastructural and new patterns as a result of the new global change. Classification is also a system of subordinate concepts (classes, objects, events) in the branch of knowledge or human activity. Therefore, based on the common features of natural objects and connections. geoeconomics seeks common and differences between them. This creates the conditions to take a picture to solve four main groups of problems in territorial systems and communities in economic, social. demographic, and environmental terms. In the third decade of the twentieth century, we will witness a new structural change and the entry of a new model of spatial development. The systems will change their vision and characteristics. In all likelihood. world will the become increasingly regionalized, as opposed to the processes of globalization. In practice, the new realities after the covid crisis are a year-on-year growth rate of 3.6% globally, which will be higher than the services and the production sector. In practice, by 2030, global construction is expected to grow by 35% compared to the previous decade as a result of the increase in public opinion. In

this regard, there will be pressure on the global annual inflation rate of 5.1%. As leading countries, we can consider Europe, East Asia, the South and the United States of America. We can assume that the expected annual inflation rate of 3.7% in the UK will be comparable to China.

### **CONCLUSION**

These problems of geoeconomics and regional development, outlined in advance from a theoretical and methodological point of view, find their concrete examples in Bulgaria and other countries that have integrated into the European Union. On the other hand, in different parts of the world during the first 20 years of the 21st century, intensive geo-economic processes mark integration the of regionalization took place. The world, especially under the threat of Kovid-19, has begun a total change, which will impose the model of opportunities for developing a broader framework of European spatial development. The availability of knowledge allows researchers in regional economies not to waste time and money searching for primary information. It will build on what has already been achieved, interpreted by economic and geographical characteristics. 21st century, in In the fact. implementation of regional development policy and the balanced development of the national territory has its social dimensions. In fact, this social process is located in time as a social phenomenon. In geoeconomic terms, politics and economics here must be understood in a broad, non-technical sense. The difference is that political processes are due to human intervention, while economic processes occur naturally. Politics is carried out in the institutions, the economy of the market. This does not exclude unplanned political conflicts, nor conscious decisions to support economic development. In fact, the wit of the distinction is that politics and economics find their intersection in geoeconomics by defining their relationship. In fact, we are talking about two forms of social processes, as well as two views on society. From a

geoeconomic point of view, the nature of the social process is an illustration of the link between the economy and civil status. especially since regional development policies have a visible strategic dimension, moreover they act as a link between civil growing supply. and municipal development sequence, programs in the interior of cities and elsewhere often fall into the crossroads people's rights between and

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Luttwak, E. N. (1987). Strategy. The Logic of War and Peace. The Belknap Press of Harvard University Press, economic needs. In fact, the philosophy of regional development policy must respond to modern society's need for spatial development, which has the appropriate sustainable framework and generates security in urban areas. It must impose such geo-economic stereotypes to create a new modern culture among people, creating where it is lacking and strengthening where there is civil society to close the society-nature-space triangle.

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